



George Municipality

Draft Budget 2015/16 to 2017/18

Medium Term Revenue and
Expenditure Framework (MTREF)

26 March 2015

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Glossary

Adjustments Budget – Prescribed in section 28 of the MFMA. The formal means by which a municipality may revise its annual budget during the year.
Allocations – Money received from Provincial or National Government or other municipalities.
Budget – The financial plan of the Municipality.
Budget Related Policy – Policy of a municipality affecting or affected by the budget, such as the tariffs policy, rates policy and credit control and debt collection policy.
Capital Expenditure - Spending on assets such as land, buildings and machinery. Any capital expenditure must be reflected as an asset on the Municipality's balance sheet.
Cash flow statement – A statement showing when actual cash will be received and spent by the Municipality. Cash payments do not always coincide with budgeted expenditure timings. For example, when an invoice is received by the Municipality it scores as expenditure in the month it is received, even though it may not be paid in the same period.
DORA – Division of Revenue Act. Annual piece of legislation that shows the amount of allocations from national to local government.
Equitable Share – A general grant paid to municipalities. It is predominantly targeted to help with free basic services.
Fruitless and wasteful expenditure – Expenditure that was made in vain and would have been avoided had reasonable care been exercised.
GFS – Government Finance Statistics. An internationally recognised classification system that facilitates like for like comparison between municipalities.
GRAP – Generally Recognised Accounting Practice. The new standard for municipal accounting.
IDP – Integrated Development Plan. The main strategic planning document of the Municipality
KPI's – Key Performance Indicators. Measures of service output and/or outcome.
MFMA – The Municipal Finance Management Act – no 53 of 2003. The principle piece of legislation relating to municipal financial management.
MTREF – Medium Term Revenue and Expenditure Framework. A medium term financial plan, usually 3 years, based on a fixed first year and indicative further two years budget allocations. Also includes details of the previous and current years' financial position.
Operating Expenditure – Spending on the day to day expenses of the Municipality such as salaries and wages.
Rates – Local Government taxation based on an assessed value of a property. To determine the rates payable, the assessed rateable value is multiplied by the rate in the rand.

SDBIP – Service Delivery and Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budget estimates.
Strategic Objectives – The main priorities of the Municipality as set out in the IDP. Budgeted spending must contribute towards the achievement of the strategic objectives.
Unauthorised expenditure – Generally, spending without, or in excess of, an approved budget.
Virement – A transfer of budget.
Virement Policy - The policy that sets out the rules for budget transfers. Virements are normally allowed within a vote. Transfers between votes must be agreed by Council through an Adjustments Budget.
Vote – One of the main segments into which a budget is divided, usually at directorate / department level.

Part 1 – Annual Budget

1.1 Mayoral Budget Speech

The budget speech is attached as a separate document.

1. 2 - Council Resolutions

The Council of George Municipality at a meeting that will take place on 26 March 2015 will table the draft annual budget. The following draft resolutions are contained in the agenda of the Special Council meeting to be held on 26 March 2015:

RECOMMENDATION

That the following draft resolutions in terms of sections 16(2) and 17(3) of the Municipal Finance Management Act, (Act 56 of 2003) be noted for final approval in May 2015.

DRAFT RESOLUTIONS (To be approved in May 2015)

- a) that the following draft policies be approved:
 - (i) Customer Care, Credit Control and Debt Collection Policy;
 - (ii) Property Rates Policy;
 - (iii) Tariff Policy,
 - (iv) Unauthorized Irregular and Fruitless and Wasteful Expenditure Policy;
 - (v) Indigent Policy;
 - (vi) Virement Policy;
 - (vii) Cash Management and Investment Policy;
 - (viii) Travel & Subsistence Policy;
 - (ix) Supply Chain Management Policy;
 - (x) PPPFA Policy;
 - (xi) Asset Management Policy;
 - (xii) Funding Borrowing & Reserve Policy;
 - (xiii) Long Term Financial Plan;
 - (xiv) Liquidity Policy
- (b) that the draft annual budget for the financial year 2015/16 and indicative outer years 2016/17 and 2017/18 be approved as set-out:
 - (i) Capital expenditure by project as contained in annexure "A" to the agenda;
 - (ii) Capital funding by source as contained in annexure "A" to the agenda;
 - (iii) Operating revenue by source as contained in Table A4 of the report;
 - (iv) Operating expenditure by type as contained in Table A4 of the report;
- (c) that property rates as reflected in the report be imposed for the budget year 2015/16;
- (d) that tariffs and services charges as reflected in the formal tariff list be approved for the budget year 2015/16;
- (e) that the draft Service Delivery and Budget Implementation Plan (SDBIP) be approved for the budget year 2015/16 as contained in annexure "B" to the agenda;

- (f) that the capital funding, both internal and external funding, be secured prior to the commencement of any new capital project;
- (g) that the draft annual budget documentation for 2015/16 – 2017/18 as outlined in the budget regulations be submitted to National and Provincial Treasury.

1.2– Budget 2014/15 Mid-year Review and adjustments budget

The following table shows the original and adjustments budget for 2014/15.

R'000	Original Budget 2014/15	MYR Adjusted Budget 2014/15	Difference
Capital	R252 243	R235 547	-R16 696
Operating Income	R1 275 334	R1 369 784	R94 450
Operating Expenditure	R1 215 996	R1 278 991	R62 995

The 2014/15 adjustments budget was taken into account in the preparation of the 2015/16 MTREF. In particular, the capital budget must be set at a level that is realistic in terms of the capacity to deliver and the ability to fund.

1.4 – Executive Summary

The Budget Committee was confronted with numerous challenges during the budget process. The following had an impact:

- The continued negative effect of the economic downturn;
- The addressing of service delivery shortcomings as identified in the adjustments budget in February 2015 and its effect on the available funding;
- The continued funding constraints with regards to the low available funding for the Capital Budget through the Capital Replacement Reserve;
- The fact that George Municipality is “over borrowed” which results in capital costs comprising a large percentage of the operating budget;
- Nersa’s directive that bulk purchases will increase by 14.24% for municipalities and municipal electricity tariff increase should not exceed 12.20%.

The 2014/15 adjustments budget in February 2015 again proved that the ability of Council to reduce costs is limited due to the fact that the fixed cost component of the operating budget exceeds the variable costs by far. The adjustments budget nonetheless defined the basis for the draft 2015/16 budget.

A continued strategy was followed as outlined within this Council’s long term financial plan with the compilation of this budget, whereby the following was done:

- The municipality needs to focus on its core functions. During the adjustments budget of 2015 the Budget Committee, Portfolio Councillors in conjunction with the Heads of Departments, scrutinised the budget to affect all possible savings;

- The need to maximise income through efficiencies and the business were investigated before a decision is made to increase our rates, service charges and other tariffs;
- A revenue enhancement project was implemented to ensure that all consumers are billed correctly and are contributing to the municipality's income as set out in the tariff policy;
- A provision of R62,180 million for debt impairment was budgeted for in the operating budget. The writing off of irrecoverable debt will continue to be scrutinized through the business processes of the internal credit control unit. The unit is managed by an internal credit control committee to ensure that proper credit control measures are performed and to recommend the writing off of debt to council;
- A provision for a contribution of R17,753 million to the capital replacement reserve (CRR) in the operating budget has been made in order to grow the reserve;
- The capital contributions policy was reviewed to ensure that the municipality receives fair compensation for bulk capacity sold to developers;
- A greater emphasis will be placed on improving the cash management practices, within the legal prescripts, to improve the liquidity position. A policy was introduced and will be in effect as from 1 July 2015.
- The Budget Committee has re-emphasised its wish that the capital budget, as with the previous budget, also be a maintenance budget which will be limited to the available cash funds at our disposal without seeking external loan funding;
- All attempts need to be made to maximise available National and Provincial Government Grants to service part of the capital program;
- A land audit will be undertaken to identify specific strategic land which may be sold to effect growth in George and to build the CRR.
- External funding (EFF) of R21,250 million will be taken up for the procurement of vehicles, plant and equipment.

In spite of the abovementioned challenges, the Budget Committee managed to restrict all tariff increases to single digit increases except electricity tariffs.

George Integrated Public Transport Network (GIPTN)

George Municipality has commenced with phased roll-out of the GO GEORGE public transport service that aims to provide reliable, affordable, accessible scheduled public transport service to the community of George. The first trial phase commenced on 8 December 2014 and subsequent phases will be rolled out in accordance with the schedule agreed to with the Vehicle Operating Company (VOC), George Link (Pty) Ltd. The final phases will be implemented in 2015/16.

The introduction of this service required that the fare structure for George be included in the tariffs list and that the approved fare structure be gazetted. The interim single paper ticket tariffs have been approved and the introduction of an interim paper Multi Journey Ticket (MJT) has been approved by Council. The Western Cape Department Transport and Public Works has approved the tariffs proposed and the introduction of the MJT.

The following municipal processes are included within the GIPTN project, and must be managed to meet the project milestones:

- Legislatively required approvals from Council
- Legislatively required public comment processes
- Progress updates to Mayoral Planning, Mayco and Council
- Supply chain management processes for contracting (on-going)
- National grant funding requires milestones for coming year
- Transfer of PTI/PTNO funds contingent on reaching milestones
- High-level milestones will be submitted to NT for payment schedule
- Unspent grant funding is not rolled over i.e. use it or lose it. Additional funding contingent on reaching milestones and achieving spending

Key Milestones of the GIPTN project:

The following key project milestones have been set for the project:

- | | |
|---------------------------------------|--------------------------------|
| ➤ Branding Approval | - Complete |
| ➤ Position of Bus Stops | - Complete for urban stops |
| ➤ Construction Bus Stops (600) | - 95% completed |
| ➤ Operator Contract – final | - November 2014 |
| ➤ Vehicle Purchase | - deliveries to schedule |
| ➤ York Street depot | - Functioning |
| ➤ Fare Collection and ITS Management | - Appointment through Province |
| ➤ Auxiliary contracts | - in progress |
| ➤ Infrastructure | - On-going |
| ➤ Operations, Oversight and Reporting | - On-going |
| ➤ Vehicle Operating Company | - Established and operational |

Corporate Structure – A Council decision is urgently required with respect to where the GIPTN function will be placed on the macro structure. Currently the function has been temporarily placed with the Department: Civil Engineering Services, but without the necessary personnel structure to manage and operate the function.

It must be specifically noted that the roll-out of the GIPTN project is being implemented on a very restricted budget and roll-out influences revenue required to fund operational costs.

An application was submitted to National Treasury (via national Department of Transport) for an additional R 100 million in the 2014/15 financial year. This funding would have been used to accelerate infrastructure, but the application was not successful and no additional funding was received. Infrastructure is a key element, but is dependent on the grant funding received.

The Gazetted national 2015/16 three-year budget for public transport is as follows:

Description	2015/16	2016/17	2017/18
National Grant	(R '000)	(R'000)	(R'000)
Operations (PTNO)	54,311	11,769	12,357
Infrastructure (PTIG)	62,014	90,974	78,880
Sub-Total	116,325	102,743	91,237
Provincial Grant			
Operation (GIPTN Operations Grant)	55, 230	80,544	95,544
Total - PT Network Grant	171,555	183,287	186,781

MFMA Circulars

National Treasury sent out MFMA Circular No. 74 on 12 December 2014 providing guidance to municipalities on their 2015/16 budgets and Medium Term Revenue and Expenditure Framework (MTREF). Circular 74 was followed up by Circular no. 75 dated 4 March 2015. Circular No. 74 & 75 reminds us of the key focus areas for the 2015/16 budget process, and that it must be read together with MFMA Circulars no. 48, 51, 54, 55, 58, 59, 66, 67, 70 and 72. It is essential reading material in order to understand the background to this budget.

National Treasury has also set out the requirements for funding the budget and producing a credible budget.

Funding the Budget

Section 18(1) of the MFMA states that an annual budget may only be funded from:

- Realistically anticipated revenues to be collected;
- Cash backed accumulated funds from previous years' surpluses not committed for other purposes; and
- Borrowed funds, but only for the capital budget referred to in section 17.

Achievement of this requirement in totality effectively means that a Council has 'balanced' its budget by ensuring that budgeted outflows will be offset by a combination of planned inflows.

Under old budget formats a 'balanced' income generated approach was a key objective and this assisted in ensuring that outflows were matched by inflows, provided revenue collections were realistic. However, GRAP compliant budgets necessitate that budget 'balancing' be much more comprehensive.

New budgeting and accounting formats demand that the budgeted Statement of Financial Performance (Income Statement), the Budgeted Statement of Financial Position (Balance Sheet) and the Budgeted Statement of Cash Flows must be

considered simultaneously to ensure effective financial management and sustainability and to ensure that the budget is funded.

A Credible Budget

Amongst other things, a credible budget is a budget that:

- Funds only activities consistent with the revised IDP and vice versa ensuring the IDP is realistically achievable given the financial constraints of the municipality;
- Is achievable in terms of agreed service delivery and performance targets;
- Contains revenue and expenditure projections that are consistent with current and past performance and supported by documented evidence of future assumptions;
- Does not jeopardise the financial viability of the municipality (ensures that the financial position is maintained within generally accepted prudential limits and that obligations can be met in the short, medium and long term); and
- Provides managers with appropriate levels of delegation sufficient to meet their financial management responsibilities.

Budgeted Deficit versus Depreciation

The depreciation budget for the MTREF, calculated on the existing assets, is R120 149 400 for 2015/16, R106 772 440 and R104 345 369 respectively for the two outer years.

Depreciation is calculated by using the straight line method over the life-span of the asset. The assets in the asset register are funded from different funding sources and the depreciation of these assets is also treated differently.

The table below is a summary of the total depreciation broken up in the different funding source categories:

Funding Source	DEPRECIATION		
	2015/16 R	2016/17 R	2017/18 R
Accumulated surplus	5,389,272.00	5,067,168	5,065,595
Capital Reserve	7,985,315.00	7,869,662	7,426,890
Conditional Grants	36,983,685.00	31,017,510	30,711,822
Public Contributions	3,376,548.00	3,164,159	3,161,626
Donations	691,187.00	441,976	441,830
External loans	36,795,315.00	35,034,560	34,084,227
CCR – own funds	28,928,078.00	24,177,405	23,453,379
TOTAL	120,149,400.00	106,772,440	104,345,369

George Municipality has used the “cost model” to implement GRAP 17. The fact that George Municipality has created 75% of its depreciable asset base in the last ten years has increased the depreciation cost beyond normal tariff increases.

As example a filtration plant was constructed with funds from the emergency drought relief grant. A capital asset of ± R95 million was created with an estimated

life span of 20 years. The impact on the depreciation budget was an additional depreciation to the amount of R4.75 million per year.

It is impossible to give this burden through to the inhabitants of George. To soften the impact of this depreciation a “claw back” of depreciation is done during the budget process as part of the tariff setting. This inevitably leads to a budgeted deficit on the Budgeted Statement of Financial Performance.

This position has been exacerbated by the extensive funding of capital projects from External Loans (EFF). George Municipality is budgeting for interest and redemption repayments to the value of ±R82 million per year for the MTREF.

1.5 – Budget Overview of the 2015/16 MTREF

This section provides an overview of the George Municipality’s 2015/16 to 2017/18 MTREF. It includes an assessment of how the budget links with the national and provincial government contexts along with a review of the fiscal position of George Municipality.

The Municipality’s budget must be seen within the context of the policies and financial priorities of national, provincial and district government. In essence, the spheres of Government are partners in meeting the service delivery challenges faced in George. George alone cannot meet these challenges. It requires support from the other spheres of Government through the direct allocation of resources as well as the achievement of their own policies.

According to Circular No. 75, the following headline inflation forecasts underpin the national 2015 Budget:

Fiscal Year	2013/14 Actual	2014/15 Estimate	2015/16	2016/17	2017/18
			Forecast		
Headline CPI Inflation	5,8%	5,6%	4,8%	5,9%	5,6%

Source: Budget Review 2015

The growth parameters apply to tariff increases for property rates, user and other charges raised by municipalities and municipal entities, to ensure that all spheres of government support the national macroeconomic policies, unless it can be shown that external factors impact otherwise.

The budget process in George followed the requirements of the MFMA. A Table of key deadlines was tabled in Council by the Mayor in August 2014.

A Budget Committee was established to examine, review and prioritise budget proposals from departments.

Over the 3 year period, the Municipality is planning to spend R903.9 million on capital investment for the infrastructure needs of the City. In 2015/16 the capital budget is R238.9 million. Operating expenditure in 2015/16 is budgeted at R1 360 million and the operating revenue is budgeted at R1 458 357 million.

The MFMA requires municipalities to set out measurable performance objectives when tabling their budgets. These “key deliverables” link the financial inputs of the budget to service delivery on the ground.

As a further enhancement to this, quarterly service targets and monthly financial targets are contained in the Draft Service Delivery and Budget Implementation Plan (SDBIP). This must be approved by the Mayor within 28 days after the approval of the final budget and forms the basis for the Municipality’s in year monitoring.

In view of the aforementioned, the following table is a consolidated overview of the proposed MTREF:

Table 1 – Consolidated Overview of the 2015/16 MTREF

	ADJUSTMENTS BUDGET 2014/15 R	BUDGET YEAR 2015/16 R	BUDGET YEAR 2016/17 R	BUDGET YEAR 2017/18 R
Total revenue (excluding capital transfers and contributions)	1,210,026,772	1,320,260,898	1,368,408,530	1,444,140,719
Less: Total expenditure	-1,278,990,811	-1,360,547,357	-1,396,391,044	-1,470,684,625
Surplus/(Deficit) before capital transfers and contributions	-68,964,039	-40,286,459	-27,982,514	-26,543,906
Plus: Capital transfers and contributions	159,756,881	138,096,608	174,125,991	197,897,108
Surplus/(Deficit) before appropriations	90,792,842	97,810,149	146,143,477	171,353,202
Less: Appropriations	-90,686,365	-97,746,708	-146,039,727	-171,279,971
Surplus/(Deficit)	106,477	63,441	103,751	73,230
Total Capital Expenditure	235,546,826	238,588,094	333,751,734	331,243,798

1.6 – Operating Revenue Framework

For George Municipality to continue maintaining / improving the quality of services provided to its citizens it needs to generate the required revenue.

The municipality’s revenue strategy is built around the following key components:

- National Treasury’s guidelines, Circular No. 74 & 75;
- The municipality’s Property Rates Policy;
- The municipality’s Credit Control and Indigent Policy and rendering of free basic services;
- Tariff policy and structure;
- Electricity tariff increases as approved by the National Electricity Regulator of South Africa (NERSA).
- Revenue enhancement plan.

The following table is a summary of the 2015/16 MTREF (classified by main revenue source):

Table 2 – Summary of revenue classified by main revenue sources

R thousand	2011/12	2012/13	2013/14	Current Year 2014/15		Budget Year 2015/16	Budget Year 2016/17	Budget Year 2017/18
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget			
Revenue By Source								
Property rates	127,788,417	143,438,449	154,010,771	171,573,053	171,250,213	183,591,009	194,527,475	206,218,241
Property rates - penalties & collection charges	1,217,609	3,845,224	3,759,202	5,509,120	5,509,120	5,311,670	5,420,380	5,535,610
Service charges - electricity revenue	373,785,442	422,009,386	445,931,709	475,716,917	471,916,917	526,837,749	557,851,601	590,662,991
Service charges - water revenue	66,392,721	85,157,708	91,034,667	91,593,508	93,809,508	99,543,172	104,735,335	110,155,913
Service charges - sanitation revenue	52,175,772	54,624,960	63,811,392	58,051,382	60,838,382	63,596,949	66,007,490	68,413,660
Service charges - refuse revenue	35,101,413	37,420,439	40,432,083	42,378,730	43,375,730	46,547,759	48,249,039	49,945,358
Service charges - other	331,094	346,937	375,478	395,530	395,530	419,270	444,440	471,120
Rental of facilities and equipment	2,102,677	2,158,461	2,272,511	2,288,900	2,345,300	2,497,080	2,647,030	2,805,940
Interest earned - external investments	14,714,900	14,613,241	22,385,592	18,732,000	18,732,000	19,855,930	21,047,290	22,310,140
Interest earned - outstanding debtors	3,573,227	3,643,995	3,931,893	4,392,430	4,392,430	4,559,500	4,833,090	5,123,120
Fines	15,056,617	20,068,920	60,966,463	17,515,480	49,032,580	58,139,201	60,458,013	62,479,124
Licences and permits	2,450,997	2,507,791	2,088,827	2,601,470	2,601,470	2,757,620	2,923,120	3,098,560
Agency services	5,751,031	6,290,635	6,961,369	6,586,340	6,586,340	6,981,530	7,400,430	7,844,480
Transfers recognised - operational	153,465,291	149,610,785	290,629,404	236,511,591	254,132,910	274,184,319	266,411,272	282,532,681
Transfers recognised - capital	50,034,818	82,905,085	273,073,808	118,339,554	152,007,031	129,881,758	165,418,211	188,666,798
Other revenue	29,037,734	25,286,895	52,891,558	23,148,286	32,858,192	33,652,990	34,160,305	35,774,091
Gains on disposal of PPE	0	296,017	0	0	0	0	0	0
Total Revenue	932,979,762	1,054,224,927	1,514,556,726	1,275,334,291	1,369,783,653	1,458,357,506	1,542,534,521	1,642,037,827

Revenue generated from property rates and service charges forms a significant percentage of the revenue source of the municipality. The above table takes into account revenue foregone arising from discounts and rebates associated with the tariff policies of the Municipality and also capital transfers and contributions.

The operating revenue increased from R1,369 billion to R1,458 billion. The increase in revenue is mainly due to:

- An increase in Fines due to the implementation of IGRAP 1 that had an impact on the calculation for the proposed Fines income.
- A increase in Transfers Recognised – Operational is mainly due to a increase and decrease in the following grants:
 - A increase in the Human Settlements Grant (R27,2m – 2014/15 to R45,5m – 2015/16);
 - A decrease in the Proclaimed Roads grant due to the Widening of the N2-York bridge project that will be completed in the 2014/15 financial year; and
 - A increase in the Public Transport Network (R60,4m – 2014/15 to R109,54 – 2015/16)
 - Demand Side Management Grant (R5m – 2013/14 to R nil – 2014/15)
- The Equitable Share allocation has increased (R92,3m – 2014/15 to R100,7m – 2015/16).

The following table provides a breakdown of the various grants allocated to George Municipality over the medium term:

Table 3 – Grants Allocation

Local government allocations 2015/16 – 2017/18			
	Medium Term Estimates		
	2015/16 R'000	2016/17 R'000	2017/18 R'000
National Grants	270,094	266,731	265,942
Equitable share	100,693	110,264	121,141
Infrastructure (MIG)	38,832	40,292	42,481
Electrification Programme (INEP)	7,000	8,000	5,000
Financial Management (FMG)	1,450	1,475	1,550
Municipal Systems Improvement (MSIG)	930	957	1,033
Public Transport Infrastructure Grant	116,325	102,743	91,237
Expanded Public Works Programme Incentive Grant (EPWP)	1,864	-	-
Infrastructure Skills Development (ISDG)	3,000	3,000	3,500
Provincial Grants	126,384	171,115	210,781
Human Settlement Development Grant	60,480	81,850	106,000
Community Development Workers (CDW's)	90	95	99
Library Services	9,523	7,921	8,397
Maintenance & Construction of Transport Infrastructure	361	-	-
Integrated Transport Planning	600	600	600
GIPTN – Operations	55,230	80,544	95,544
Thusong Centre Grant	100	105	141
Total Allocations	396,478	437,846	476,726

SERVICE CHARGES AND MISCELLANEOUS TARIFFS:

The following tariff increases are proposed:

- Electricity : 11.8%
- Water : 7%
- Rates : 7%
- Refuse : 9%
- Sewerage : 7%
- Other (miscellaneous) : 6%

TARIFF CHANGES SUGGESTED FOR 2015/16

Rates Tariffs

Property rates cover the cost of the provision of general services. Determining the effective property rate tariff is therefore an integral part of the municipality's budgeting process.

An increase of 7% in rates income will be raised for 2015/16.

Table 4 – Comparison of proposed rates to be levied for the 2015/16 financial year

Category	Current Tariff (1 July 2014)	Proposed tariff (from 1 July 2015)
	cent	cent
Residential properties	0.005821	0.006228
State owned properties	0.004657	0.004983
Business & Commercial	0.007349	0.007863
Agricultural	0.001455	0.001557
Vacant land	0.005821	0.006228
Municipal rateable	-	-
Industrial	0.007349	0.007863
Non-permitted use	-	-
Public benefit organisation properties	0.001455	0.001557

Water Tariffs

South Africa faces similar challenges with regard to water supply as it did with electricity, since demand growth outstrips supply. Consequently, National Treasury is encouraging all municipalities to carefully review the level and structure of their water tariffs to ensure:

- Water tariffs are fully cost-reflective – including the cost of maintenance and renewal of purification plants, water networks and the cost associated with reticulation expansion;
- Water tariffs are structured to protect basic levels of service and ensure the provision of free water to the poorest of the poor (indigent); and
- Water tariffs are designed to encourage efficient and sustainable consumption.

In addition National Treasury has urged all municipalities to ensure that water tariff structures are cost reflective by 2014.

During the tariff modelling exercise it was acknowledge that the basic charge for water does not cover the basic cost for the water service and that the structure needs to be changed and remodelled in future budgets.

A tariff increase of 7% from 1 July 2015 for water is proposed. In addition 6kl water per 30-day period will be granted free of charge to all households. The tariff structure is designed to charge higher levels of consumption at a higher rate per kilolitre.

The tariff structures of the DMA and George are different. The 7% increase in the current tariff will apply to the DMA area as well. George Municipality is reassessing the basic charge for water service to ensure that it is cost reflective of the fixed costs components needed to deliver water to the consumers.

A summary of the proposed tariffs for households (residential) and non-residential in George are as follows:

Table 5 – Proposed Water Tariffs

CATEGORY	CURRENT TARIFFS 2014/15	PROPOSED TARIFFS 2015/16
	Rand per kℓ	Rand per kℓ
RESIDENTIAL		
(i) 0 to 6 kℓ per 30-day period	Free	Free
(ii) 6 to 12 kℓ per 30-day period	11.11	11.89
(iii) 12 to 20 kℓ per 30-day period	12.79	13.69
(iv) 20 to 30 kℓ per 30-day period	15.34	16.41
(v) 30 to 50 kℓ per 30-day period	18.41	19.70
(vi) 50 kℓ per 30-day period	21.00	22.47
NON-RESIDENTIAL		
(i) 0 to 6 kℓ per 30-day period	11.11	11.89
(ii) 6 to 12 kℓ per 30-day period	11.11	11.89
(iii) 12 to 20 kℓ per 30-day period	12.79	13.69
(iv) 20 to 30 kℓ per 30-day period	15.34	16.41
(v) 30 to 50 kℓ per 30-day period	16.83	18.01
(vi) 50 kℓ per 30-day period	18.41	19.70

The following table shows the impact of the proposed increases in water tariffs on the water charges for a single dwelling-house:

Table 6 – Comparison between current water charges and increases (Domestic)

Monthly consumption kℓ	Current amount payable R	Proposed amount payable R	Difference (Increase) R	Percentage change
20	168.96	180.79	11.83	7%
30	322.38	344.95	22.57	7%
40	506.55	542.01	35.46	7%
50	690.74	739.09	48.35	7%
80	1,320.70	1,413.15	92.45	7%
100	1,740.70	1,862.55	121.85	7%

A summary of the proposed tariffs for households (residential) and non-residential in the DMA area is as follows:

Table 7 – Comparison between current water charges and increases in the DMA area (Domestic)

CATEGORY	CURRENT TARIFFS 2014/15	PROPOSED TARIFFS 2015/16
	Rand per kℓ	Rand per kℓ
RESIDENTIAL		
(i) 0 to 6 kℓ per 30-day period	Free	Free
(ii) 6 to 12 kℓ per 30-day period	4.94	5.29
(iii) 12 to 20 kℓ per 30-day period	5.67	6.07
(iv) 20 to 30 kℓ per 30-day period	6.81	7.29
(v) 30 to 50 kℓ per 30-day period	8.16	8.73
(vi) 50 kℓ per 30-day period	9.32	9.97
NON-RESIDENTIAL		
(i) 0 to 6 kℓ per 30-day period	4.94	5.29
(ii) 6 to 12 kℓ per 30-day period	4.94	5.29
(iii) 12 to 20 kℓ per 30-day period	5.67	6.07
(iv) 20 to 30 kℓ per 30-day period	6.81	7.29
(v) 30 to 50 kℓ per 30-day period	7.46	7.98
(vi) 50 kℓ per 30-day period	8.18	8.75

Electricity Tariffs

The proposed municipal electrical tariff increase is 11.8% whereas the prescribed tariff according to NERSA's guideline is 12.2%. According to NERSA certain of the municipality's electricity tariffs are too high and thus the reason why the increase is below the prescribed increase.

The following table shows the impact of the proposed increases in electricity tariffs on the domestic customers:

Table 8 – Comparison between current electricity charges and increases Domestic – Single phase consumer: one part Pre-Paid (VAT exclusive)

Monthly consumption kWh	Current amount Payable 134.74 c / unit R	Proposed amount Payable 150.64 c / unit R	Difference (Increase) R	Percentage change
100	134.74	150.64	15.90	11.80%
250	336.85	376.60	39.75	11.80%
500	673.70	753.20	79.50	11.80%
750	1,010.55	1,129.80	119.25	11.80%
1 000	1,347.40	1,506.40	159.00	11.80%
2 000	2,694.79	3,012.80	318.01	11.80%

Table 9 – Indigent – single phase consumers: One part Pre-paid meter (VAT exclusive)

Monthly consumption kWh	Current amount Payable 86.77 c / unit R	Proposed amount Payable 93.10 c / unit R	Difference (Increase) R	Percentage change
100	27.93	31.23	3.30	11.80%
250	167.58	187.35	19.77	11.80%
450	353.78	395.53	41.75	11.80%

Indigent households will receive 70kWh electricity free at the beginning of each month.

Sanitation tariffs

A tariff increase of 7% for sanitation from 1 July 2015 is proposed.

The following table compares the current and proposed tariffs:

Table 10 – Comparison between current sanitation charges and increases

CURRENT TARIFF 2014/15 Rand per year	PROPOSED TARIFF 2015/16 Rand per year	DIFFERENCE R	% INCREASE
1,821.53	1,949.04	127.51	7.00%

Waste Removal tariff

A 9% increase in the waste removal tariff is proposed from 1 July 2015.

Table 11 – Comparison between current waste fees and increases for a single dwelling-house

CURRENT TARIFF 2014/15 Rand per year	PROPOSED TARIFF 2015/16 Rand per year	DIFFERENCE R	% INCREASE
1,455.15	1,586.11	130.96	9.00%

Table 12 – Comparison between current waste removal fees and increases

	CURRENT TARIFFS 2014/15		PROPOSED TARIFFS 2015/16	
Tariff per container per month or part of a month: Areas serviced by means of: (Tariff is multiplied by the number of service rounds per week and the number of containers.)	Per litre (per service) (R)	Per month (R)	Per litre (per service) (R)	Per month (R)
7 X 85l container (black bag) removed once a week	0.0505	120.14	0.0550	130.95
1 x 240l container removed once a week	0.2050	196.73	0.2235	214.44
2 x 240l container removed 3 times a week	0.2625	756.02	0.2861	824.06

The cost of establishing of a composting plant, the closure of the dumping site, the increase in cost of depositing household waste at the new proposed regional landfill site, the establishing of a landfill site in Uniondale and the transport of household waste to PETRO SA, are putting a tremendous pressure on the financial viability of the waste removal service, hence the 9% increase in tariff. Urgent strategic decisions are needed in this regard.

Overall impact of tariff increases on households

The following table shows the overall expected impact of tariff increases on a large and small household, as well as an indigent household receiving free basic services.

It needs to be noted that the majority of indigent households in George are situated in the affordable house areas. The valuation of these houses is below R100 000 and due to rebates do not pay property rates.

Indigent households receive a discount on their services equal to the basic charge for water plus 6kl water free, 70kwh electricity units, the monthly levy for refuse and sanitation.

Table 13 – MBRR Table SA14 – Household bills

George Municipality – 2015/16 Draft Annual Budget and MTREF

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16 % incr.	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Rand/cent											
Monthly Account for Household - 'Middle Income Range'	1										
Rates and services charges:											
Property rates		211.07	228.97	247.29	275.79	275.79	275.79	9.6%	302.19	320.32	339.54
Electricity: Basic levy		–	–	–	–	–	–	–	–	–	–
Electricity: Consumption		1,039.88	1,178.10	1,254.70	1,347.40	1,347.40	1,347.40	11.8%	1,506.40	1,596.78	1,692.59
Water: Basic levy		50.37	54.40	58.75	63.45	63.45	63.45	7.0%	67.89	71.96	76.28
Water: Consumption		255.92	276.36	298.46	322.34	322.34	322.34	7.0%	344.96	365.66	387.60
Sanitation		120.50	130.14	140.55	151.79	151.79	151.79	7.0%	162.42	172.17	182.50
Refuse removal		95.33	103.00	111.25	121.26	121.26	121.26	9.0%	132.16	140.09	148.49
Other		–	–	–	–	–	–	–	–	–	–
sub-total		1,773.07	1,970.97	2,111.00	2,282.04	2,282.04	2,282.04	10.3%	2,516.02	2,666.98	2,827.00
VAT on Services		218.68	243.88	260.92	280.87	280.87	280.87	10.3%	309.94	328.54	348.25
Total large household bill:		1,991.75	2,214.85	2,371.92	2,562.92	2,562.92	2,562.92	10.3%	2,825.96	2,995.52	3,175.25
% increase/-decrease			11.2%	7.1%	8.1%	–	–	10.3%	6.0%	6.0%	
Monthly Account for Household - 'Affordable Range'	2										
Rates and services charges:											
Property rates		149.44	162.12	175.09	195.27	195.27	195.27	9.6%	213.97	226.81	240.42
Electricity: Basic levy		–	–	–	–	–	–	–	–	–	–
Electricity: Consumption		530.55	589.05	627.35	673.70	673.70	673.70	11.8%	753.20	798.39	846.30
Water: Basic levy		50.37	54.40	58.75	63.45	63.45	63.45	7.0%	67.89	71.96	76.28
Water: Consumption		195.02	210.61	227.46	245.66	245.66	245.66	7.0%	262.91	278.68	295.41
Sanitation		120.50	130.14	140.55	151.79	151.79	151.79	7.0%	162.42	172.17	182.50
Refuse removal		95.33	103.00	111.25	121.26	121.26	121.26	9.0%	132.16	140.09	148.49
Other		–	–	–	–	–	–	–	–	–	–
sub-total		1,141.21	1,249.32	1,340.45	1,451.13	1,451.13	1,451.13	9.7%	1,592.55	1,688.10	1,789.39
VAT on Services		138.85	152.21	163.15	175.82	175.82	175.82	9.8%	193.00	204.58	216.85
Total small household bill:		1,280.06	1,401.53	1,503.60	1,626.95	1,626.95	1,626.95	9.7%	1,785.55	1,892.68	2,006.24
% increase/-decrease			9.5%	7.3%	8.2%	–	–	9.7%	6.0%	6.0%	
Monthly Account for Household - 'Indigent'	3										
Household receiving free basic services											
Rates and services charges:											
Property rates		–	–	–	–	–	–	–	–	–	–
Electricity: Basic levy		–	–	–	–	–	–	–	–	–	–
Electricity: Consumption		205.46	244.41	242.80	260.68	260.68	260.68	11.8%	291.48	308.97	327.51
Water: Basic levy		–	–	–	–	–	–	–	–	–	–
Water: Consumption		134.12	144.86	156.46	168.98	168.98	168.98	7.0%	180.86	191.71	203.21
Sanitation		120.50	–	–	–	–	–	–	–	–	–
Refuse removal		95.33	–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–	–
sub-total		555.41	389.27	399.26	429.66	429.66	429.66	9.9%	472.34	500.68	530.72
VAT on Services		77.76	54.50	55.90	60.15	60.15	60.15	9.9%	66.13	70.10	74.30
Total small household bill:		633.17	443.77	455.16	489.81	489.81	489.81	9.9%	538.47	570.78	605.02
% increase/-decrease			(29.9%)	2.6%	7.6%	–	–	9.9%	6.0%	6.0%	

References

1. Use as basis property value of R700 000, 1 000 kWh electricity and 30kl water
2. Use as basis property value of R500 000 and R700 000, 500 kWh electricity and 25kl water
3. Use as basis property value of R 300 000, 350kWh electricity and 20kl water (50 kWh electricity and 6 kl water free)
4. Note this is for a SINGLE household.

1.7 – Operating Expenditure Framework

The expenditure framework for the 2015/16 budget and MTREF is informed by the guidelines of National Treasury.

The following table is a summary of the 2015/16 MTREF (classified by main expenditure types):

Table 14 – Summary of operating expenditure by type

R thousand	2011/12	2012/13	2013/14	Current Year 2014/15		Budget Year 2015/16	Budget Year 2016/17	Budget Year 2017/18
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget			
Expenditure By Type								
Employee related costs	248,882,794	269,332,636	311,839,316	308,229,807	320,659,640	341,819,830	368,703,041	405,414,466
Remuneration of councillors	13,868,485	14,547,571	15,567,736	18,138,774	18,138,774	19,227,100	20,380,900	21,603,600
Debt impairment	19,557,889	31,205,828	69,604,195	20,000,000	51,517,100	62,180,741	64,602,713	66,538,704
Depreciation & asset impairment	105,359,522	106,204,495	110,052,752	111,411,612	114,789,631	120,149,400	106,772,440	104,345,369
Finance charges	57,217,007	55,450,529	51,159,815	47,984,408	46,688,408	44,104,405	39,837,531	36,320,367
Bulk purchases	244,403,075	276,450,354	287,736,248	324,001,640	317,964,640	363,242,820	385,037,400	408,139,650
Other materials	139,836	135,044	227,382	267,820	242,820	241,520	256,210	271,750
Contracted services	100,248,256	95,187,721	234,571,487	181,671,705	180,590,073	203,216,327	190,209,033	195,915,822
Collection costs	4,728,414	3,156,319	3,643,627	4,325,000	4,325,000	4,050,000	4,090,000	4,125,400
Transfers and grants	1,188,374	1,520,077	2,368,266	3,043,000	3,003,000	3,164,760	3,301,570	3,403,070
Other expenditure	131,119,405	146,373,182	176,220,972	196,921,922	221,071,725	199,150,454	213,200,206	224,606,427
Loss on disposal of PPE	11,285,936	277,541	99,085	0	0	0	0	0
Total Expenditure	937,998,994	999,841,297	1,263,090,881	1,215,995,688	1,278,990,811	1,360,547,357	1,396,391,044	1,470,684,625

The operating expenditure increases from R1,279 billion (2014/15) to R1,360 billion in 2015/16. The increase can be attributed to increases and decreases on several expenditure components.

Reasons for significant cost variances:

- Debt impairment – The calculation is based on the 2013/14 collection ratios and also the current economic climate in the George and the implementation of iGRAP1 (accounting for the impairment of traffic fines).
- Bulk purchases – The increase is based on the tariff for bulk purchases as set out by NERSA.
- Contracted Services – The budget for contracted services has increased due to the operational expenditure on Housing Projects (R18 million) and the GIPTN R36,7 million.
- Finance charges declined because the redemption portion of the loans is increasing versus the interest payments that are declining.

Table 15 – Repairs and maintenance per asset class

Description R thousand	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue &		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Repairs and Maintenance by Asset Class									
<i>Infrastructure - Road transport</i>	17,490	19,992	18,899	21,014	19,034	19,034	20,539	22,170	23,888
<i>Infrastructure - Electricity</i>	5,029	5,604	5,816	8,918	7,867	7,867	9,602	10,303	10,923
<i>Infrastructure - Water</i>	3,706	6,051	5,910	6,920	6,805	6,805	7,458	8,024	8,484
<i>Infrastructure - Sanitation</i>	11,039	14,390	16,218	17,772	19,009	19,009	21,153	22,637	23,671
<i>Infrastructure - Other</i>	45	56	80	210	210	210	221	233	247
Infrastructure	37,309	46,093	46,923	54,834	52,925	52,925	58,974	63,368	67,214
Community	3,057	3,018	4,034	8,109	9,764	9,764	9,336	9,394	9,708
Heritage assets	–	–	–	–	–	–	–	–	–
Investment properties	–	–	–	–	–	–	–	–	–
Other assets	12,448	13,012	14,103	17,837	20,510	20,510	21,159	22,386	23,692
TOTAL REPAIRS & MAINTENANCE	52,814	62,122	65,059	80,780	83,199	83,199	89,469	95,149	100,614

1.8 – Capital Budget

The capital budget increased from R235 million (2014/15) to R238.6 million in 2015/16.

The Budget Committee went through several stages of prioritising the capital budget to contain the budget within the available funding.

This capital budget has been compiled with due consideration to the direct impact that it would have on the operating budget and our cash position where projects are to be funded from either internal sources or from external borrowings.

With the current long term borrowing commitments on the operating budget it was decided to limit the capital projects linked to external funding. The amount of R21 250 million allocated to external funding relates to projects indicated as EFF on the capital schedules.

The capital budget reflects the following budget allocation to the various Departments and reflects the strategic priorities outlined in the IDP

Table 16 – Capital budget by department

Vote Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue &		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Capital expenditure - Vote									
Multi-year expenditure to be appropriated									
Vote 3 - Corporate Services	1,212	–	–	–	–	–	–	–	–
Vote 5 - Community Services	–	–	–	3,000	3,000	3,000	2,000	–	–
Vote 6 - Community Services	–	1,609	795	–	–	–	–	–	–
Vote 9 - Civil Engineering Services	19,587	39,445	257,444	90,600	100,644	100,644	93,899	137,237	133,971
Vote 10 - Electrotechnical Services	7,002	7,273	11,815	29,100	19,580	19,580	17,840	13,168	14,286
Capital multi-year expenditure sub-total	27,801	48,327	270,053	122,700	123,224	123,224	113,740	150,405	148,257
Single-year expenditure to be appropriated									
Vote 1 - Office of the Municipal Manager	84	238	3,904	2,410	2,692	2,692	2,385	100	–
Vote 3 - Corporate Services	808	1,113	930	910	910	910	1,780	2,310	1,460
Vote 4 - Corporate Services	–	62	64	966	946	946	5,452	2,030	1,730
Vote 5 - Community Services	3,337	2,953	4,685	3,613	5,544	5,544	8,029	8,449	3,040
Vote 6 - Community Services	1,519	2,885	18,371	8,354	11,390	11,390	6,141	6,884	5,917
Vote 7 - Community Services	–	347	3,914	12,290	3,440	3,440	8,430	9,600	3,350
Vote 8 - Human Settlements, Land Affairs & Planning	1,141	897	2,501	14,036	2,575	2,575	4,445	33,185	66,380
Vote 9 - Civil Engineering Services	46,193	52,410	31,895	65,254	63,038	63,038	71,544	103,073	86,500
Vote 10 - Electrotechnical Services	28,611	10,592	9,204	21,360	21,319	21,319	16,050	17,660	14,610
Vote 11 - Financial Services	200	139	676	350	470	470	593	57	–
Capital single-year expenditure sub-total	81,894	71,634	76,143	129,543	112,323	112,323	124,849	183,347	182,987
Total Capital Expenditure - Vote	109,695	119,961	346,197	252,243	235,547	235,547	238,588	333,752	331,244

The draft capital programme is contained in Table 52 (Detailed capital budget per municipal vote)

Table 17 – Capital funding by source

Vote Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue &		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Funded by:									
National Government	38,703	40,616	213,787	114,841	118,017	118,017	110,006	121,568	118,667
Provincial Government	11,332	42,289	59,287	16,743	27,649	27,649	17,050	33,850	70,000
District Municipality	–	–	–	6,000	5,841	5,841	2,826	–	–
Other transfers and grants	–	–	1,040	51,681	23,066	23,066	11,931	6,176	–
Transfers recognised - capital	50,035	82,905	274,113	189,265	174,573	174,573	141,812	161,594	188,667
Public contributions & donations	29	749	15,848	–	–	–	–	–	–
Borrowing	20,291	–	10,595	13,505	13,525	13,525	21,250	71,975	62,860
Internally generated funds	39,340	36,306	45,641	49,473	47,449	47,449	75,526	100,183	79,717
Total Capital Funding	109,695	119,961	346,197	252,243	235,547	235,547	238,588	333,752	331,244

Internal Funding

One of the main challenges impacting on the capital budget is the expected contributions to the Capital Replacement Reserve (CRR) for the current year. This situation also emphasises the need to expand our current additional income base (sources) and exploring other income sources. The Budget Committee re-affirmed the need for revenue enhancement measures in order to broaden the income base.

A contribution of R10 million was made to the CRR in the 2014/15 Adjustments Budget from the working capital in February 2015.

Council has introduced a specific line item in the 2013/14 budget to specifically budget for a contribution to the CRR. R17,753 million was budgeted for the current year. The total amount budgeted for a contribution to the CRR is R31,661 million in the 2015/16 financial year.

The budget committee went through a process of tariff modelling and realised that additional income had to be generated over and above the annual increase in tariffs to fund its asset renewal programme. The master plans for the core services indicate that urgent upgrading and renewal need to be done to the infrastructure.

Although the budgeted income and expenditure are realistically anticipated, the situation regarding the available internal funds will be monitored closely and expenditure on capital projects linked to the CRR will be managed according to the available cash.

To facilitate this process the Budget Committee has prioritized the draft Capital Budget and capped the projects funded from the CRR to R75,526 million.

Council has budgeted for a contribution of R67,6 million to the CCR in 2015/16. An assessment of the reserves will be done after the 2014/15 year-end process has been concluded. A further contribution to the CRR will then be made.

The table below gives a breakdown of the available budgeted CRR funds.

Table 17 – Budgeted CRR funds

DESCRIPTION OF CAPITAL REPLACEMENT RESERVED (CRR)	BALANCE 30/06/2014 AFS	CAPITAL CONTRIBUTIONS TO DATE	BUDGETED VAT INCOME ON GRANTS	TOTAL AMOUNT AVAILABLE FOR CAPITAL EXPENDITURE TO DATE	CRR ADJUSTMENT CAPITAL BUDGET FOR 2014/15	CRR BALANCE AVAILABLE FOR 2015/16	CAPITAL CONTRIBUTIONS & VAT INCOME - BUDGET 2015/16	BUDGET REQUIRED FOR CRR EXPENDITURE 2015/16
General	839,628.39	301,649.01	1,841,853.00	2,983,130.40	24,557,600.00	-21,574,469.60	11,412,030.00	28,375,600.00
Electricity	14,879,716.25	2,768,751.53	1,198,832.00	18,847,299.78	11,601,550.00	7,245,749.78	6,917,510.00	21,050,000.00
Water	635,101.62	2,261,842.25	112,000.00	3,008,943.87	3,450,000.00	-441,056.13	4,649,250.00	11,500,000.00
Sewerage	645,795.93	2,513,887.00	4,596,377.00	7,756,059.93	6,460,650.00	1,295,409.93	5,471,600.00	8,250,000.00
Sale of Property	11,389,417.80	235,656.42		11,625,074.22	829,000.00	10,796,074.22	2,616,920.00	1,420,000.00
Cleansing	229,314.23	102,919.74		332,233.97	550,000.00	-217,766.03	170,680.00	4,930,000.00
Parking Facilities	731,747.32	74,767.31		806,514.63		806,514.63	424,000.00	
Contribution from Working Capital		10,000,000.00		10,000,000.00		10,000,000.00	35,953,153.20	
TOTAL CRR	R 29,350,721.54	R 18,259,473.26	R 7,749,062.00	R 55,359,256.80	R 47,448,800.00	R 7,910,456.80	R 67,615,143.20	R 75,525,600.00

External Funding

The Budget Committee has re-affirmed its commitment to not rely on external funding to fund the capital budget except for the financing of short term vehicles and plant financing. The planned provision made within this budget for vehicle financing from external funds for 2015/16 amounts to R21 250 million. This amount includes the purchase of generators to the value of R7 million.

The following table provides a breakdown of the budgeted capital expenditure by classification:

Table 18 – Capital expenditure by GFS classification

Vote Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue &		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Capital Expenditure - Standard									
<i>Governance and administration</i>	284	712	2,863	9,991	10,452	10,452	11,520	6,932	6,095
Executive and council	84	238	746	2,400	2,610	2,610	2,333	100	–
Budget and treasury office	200	139	676	350	470	470	593	57	–
Corporate services	–	335	1,441	7,241	7,372	7,372	8,594	6,775	6,095
<i>Community and public safety</i>	8,010	9,183	26,336	29,544	22,989	22,989	21,883	48,884	75,692
Community and social services	2,025	1,228	1,274	4,335	4,263	4,263	3,788	2,265	395
Sport and recreation	1,512	4,400	18,548	8,209	9,695	9,695	5,821	5,544	5,877
Public safety	3,333	2,608	4,013	2,939	4,832	4,832	7,809	7,890	3,040
Housing	1,141	897	2,501	14,036	2,575	2,575	4,445	33,185	66,380
Health	–	50	–	25	1,625	1,625	20	–	–
<i>Economic and environmental services</i>	14,128	24,080	230,703	92,013	99,506	99,506	94,875	130,666	112,568
Planning and development	–	–	–	10	11	11	–	–	–
Road transport	14,121	24,080	230,085	91,933	99,425	99,425	94,875	130,626	112,528
Environmental protection	7	–	618	70	70	70	–	40	40
<i>Trading services</i>	87,273	85,986	83,137	120,695	102,528	102,528	110,259	147,270	136,889
Electricity	35,613	17,865	19,970	44,190	34,539	34,539	31,090	27,428	25,596
Water	21,487	30,686	10,791	22,808	7,707	7,707	34,567	63,616	53,734
Waste water management	30,172	37,089	48,463	41,407	56,842	56,842	36,172	46,627	54,209
Waste management	–	347	3,914	12,290	3,440	3,440	8,430	9,600	3,350
<i>Other</i>	–	–	3,157	–	71	71	52	–	–
Total Capital Expenditure - Standard	109,695	119,961	346,197	252,243	235,547	235,547	238,588	333,752	331,244

1.9 – Budget Schedules

The Municipal Budget and Reporting Regulations are designed to achieve a range of objectives, including improving the local government sphere's ability to deliver basic services by facilitating improved financial sustainability and better medium term planning and policy choices on service delivery.

Narrative will only be provided at certain tables to clarify certain aspects otherwise it will be a repetition of what has already been documented.

Table 19 – A1: Budget Summary

Description	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousands										
Financial Performance										
Property rates	129,006	147,284	157,770	177,082	176,759	176,759	176,759	188,903	199,948	211,754
Service charges	527,786	599,559	641,585	668,136	670,336	670,336	670,336	736,945	777,288	819,649
Investment revenue	14,715	14,613	22,386	18,732	18,732	18,732	18,732	19,856	21,047	22,310
Transfers recognised - operational	153,465	149,611	290,629	236,512	254,133	254,133	254,133	274,184	266,411	282,533
Other own revenue	45,794	50,939	94,935	48,783	90,066	90,066	90,066	100,373	103,714	107,895
	870,766	962,007	1,207,305	1,149,245	1,210,027	1,210,027	1,210,027	1,320,261	1,368,409	1,444,141
Total Revenue (excluding capital transfers and contributions)										
Employee costs	248,883	269,333	311,839	308,230	320,660	320,660	320,660	341,820	368,703	405,414
Remuneration of councillors	13,868	14,548	15,568	18,139	18,139	18,139	18,139	19,227	20,381	21,604
Depreciation & asset impairment	105,360	106,204	110,053	111,412	114,790	114,790	114,790	120,149	106,772	104,345
Finance charges	57,217	55,451	51,160	47,984	46,688	46,688	46,688	44,104	39,838	36,320
Materials and bulk purchases	244,543	276,585	287,964	324,269	318,207	318,207	318,207	363,484	385,294	408,411
Transfers and grants	1,188	1,520	2,368	3,043	3,003	3,003	3,003	3,165	3,302	3,403
Other expenditure	266,940	276,201	484,139	402,919	457,504	457,504	457,504	468,598	472,102	491,186
Total Expenditure	937,999	999,841	1,263,091	1,215,996	1,278,991	1,278,991	1,278,991	1,360,547	1,396,391	1,470,685
Surplus/(Deficit)	(67,233)	(37,835)	(55,786)	(66,751)	(68,964)	(68,964)	(68,964)	(40,286)	(27,983)	(26,544)
Transfers recognised - capital	50,035	82,905	273,074	118,340	152,007	152,007	152,007	129,882	165,418	188,667
Contributions recognised - capital & contributed assets	12,179	9,313	34,178	7,750	7,750	7,750	7,750	8,215	8,708	9,230
Surplus/(Deficit) after capital transfers & contributions	(5,019)	54,384	251,466	59,339	90,793	90,793	90,793	97,810	146,143	171,353
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	(5,019)	54,384	251,466	59,339	90,793	90,793	90,793	97,810	146,143	171,353
Capital expenditure & funds sources										
Capital expenditure	109,695	119,961	346,197	252,243	235,547	235,547	235,547	238,588	333,752	331,244
Transfers recognised - capital	50,035	82,905	274,113	189,265	174,573	174,573	174,573	141,812	161,594	188,667
Public contributions & donations	29	749	15,848	–	–	–	–	–	–	–
Borrowing	20,291	–	10,595	13,505	13,525	13,525	13,525	21,250	71,975	62,860
Internally generated funds	39,340	36,306	45,641	49,473	47,449	47,449	47,449	75,526	100,183	79,717
Total sources of capital funds	109,695	119,961	346,197	252,243	235,547	235,547	235,547	238,588	333,752	331,244
Financial position										
Total current assets	530,714	618,359	893,201	726,313	734,912	734,912	734,912	730,277	768,828	749,401
Total non current assets	2,480,809	2,474,914	2,570,624	2,810,460	2,689,660	2,689,660	2,689,660	2,771,791	2,906,165	2,993,538
Total current liabilities	210,485	264,598	384,082	290,416	306,235	306,235	306,235	232,844	222,015	229,062
Total non current liabilities	609,802	581,124	581,765	534,844	534,844	534,844	534,844	562,867	616,795	667,242
Community wealth/Equity	2,191,236	2,247,551	2,497,977	2,711,512	2,583,493	2,583,493	2,583,493	2,706,357	2,836,183	2,846,635
Cash flows										
Net cash from (used) operating	126,537	193,789	477,098	230,898	223,152	223,152	223,152	224,112	263,114	279,393
Net cash from (used) investing	(109,606)	(113,734)	(332,228)	(161,570)	(161,920)	(161,920)	(161,920)	(208,666)	(261,007)	(324,799)
Net cash from (used) financing	(30,526)	(32,079)	(24,552)	(19,644)	(19,624)	(19,624)	(19,624)	(16,988)	30,649	22,661
Cash/cash equivalents at the year end	218,901	266,877	387,195	436,879	428,803	428,803	428,803	427,260	460,016	437,270
Cash backing/surplus reconciliation										
Cash and investments available	218,901	266,877	387,195	436,879	428,803	428,803	428,803	427,260	460,016	437,270
Application of cash and investments	188,965	209,085	316,785	201,488	216,359	216,359	226,359	231,233	227,383	232,575
Balance - surplus (shortfall)	29,936	57,792	70,410	235,391	212,444	212,444	202,444	196,028	232,632	204,696
Asset management										
Asset register summary (WDV)	2,479,712	2,473,751	2,569,635	2,809,807	2,689,007	2,689,007	2,771,204	2,771,204	2,905,662	2,993,006
Depreciation & asset impairment	105,360	106,204	110,053	111,412	114,790	114,790	120,149	120,149	106,772	104,345
Renewal of Existing Assets	17,406	19,734	22,317	23,356	22,920	22,920	22,920	35,745	58,240	62,881
Repairs and Maintenance	52,814	62,122	65,059	80,780	83,199	83,199	89,469	89,469	95,149	100,614
Free services										
Cost of Free Basic Services provided	320,233	208,635	190,375	207,213	207,213	207,213	231,513	231,513	245,404	260,128
Revenue cost of free services provided	101,868	109,588	109,476	132,360	132,360	140,366	153,076	153,076	165,630	179,240
Households below minimum service level										
Water:	0	1	1	1	1	1	1	1	1	1
Sanitation/sewerage:	0	1	1	–	–	–	–	–	–	–
Energy:	5	4	4	9	9	4	4	4	4	5
Refuse:	–	–	–	4	4	–	–	–	–	–

Table 20 – A2: Budgeted Financial Performance by standard classification

Standard Classification Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand	1									
Revenue - Standard										
Governance and administration		161,738	175,331	199,947	208,328	210,026	210,026	223,143	235,419	249,219
Executive and council		1,681	46	398	133	593	593	433	149	158
Budget and treasury office		150,207	167,704	181,690	201,327	202,059	202,059	214,875	227,380	240,842
Corporate services		9,850	7,581	17,860	6,869	7,375	7,375	7,834	7,890	8,219
Community and public safety		94,863	79,738	110,176	47,685	108,875	108,875	125,798	144,582	169,988
Community and social services		2,052	3,344	4,016	7,297	13,036	13,036	11,663	10,193	10,839
Sport and recreation		2,950	8,087	20,507	3,975	9,566	9,566	6,043	6,281	6,625
Public safety		18,257	22,623	62,500	18,698	53,803	53,803	59,825	61,704	63,803
Housing		71,531	44,755	21,841	16,408	29,461	29,461	46,829	65,284	87,523
Health		72	929	1,313	1,306	3,009	3,009	1,438	1,120	1,198
Economic and environmental services		22,025	51,045	409,750	205,642	223,379	223,379	209,825	220,398	227,806
Planning and development		4,782	4,344	5,439	3,870	4,282	4,282	4,604	4,737	5,012
Road transport		17,228	46,665	404,304	201,771	219,095	219,095	205,220	215,660	222,793
Environmental protection		14	35	7	1	1	1	1	1	1
Trading services		654,338	748,101	791,519	813,661	827,486	827,486	899,572	942,116	995,003
Electricity		387,424	440,599	474,135	503,332	499,577	499,577	554,538	588,229	620,209
Water		111,534	136,866	111,472	117,137	121,679	121,679	144,533	157,519	158,886
Waste water management		97,037	111,932	138,348	127,425	140,033	140,033	128,078	119,861	134,795
Waste management		58,344	58,704	67,564	65,768	66,198	66,198	72,424	76,506	81,113
Other	4	15	10	3,165	18	18	18	19	20	21
Total Revenue - Standard	2	932,980	1,054,225	1,514,557	1,275,334	1,369,784	1,369,784	1,458,358	1,542,535	1,642,038
Expenditure - Standard										
Governance and administration		151,067	138,694	175,396	159,197	163,308	163,308	179,026	194,996	217,557
Executive and council		43,417	39,669	50,310	39,496	40,361	40,361	50,287	57,408	72,437
Budget and treasury office		59,729	53,733	65,885	69,577	70,364	70,364	71,349	77,734	81,989
Corporate services		47,921	45,292	59,202	50,124	52,584	52,584	57,391	59,854	63,132
Community and public safety		165,194	143,594	176,873	136,939	186,624	186,624	213,814	220,515	216,716
Community and social services		17,912	17,792	19,729	20,961	21,682	21,682	22,873	23,147	24,389
Sport and recreation		18,003	20,120	20,387	18,539	19,996	19,996	19,799	19,686	20,511
Public safety		42,131	42,848	85,301	47,411	79,205	79,205	88,151	91,040	94,671
Housing		80,702	56,427	44,499	41,962	55,973	55,973	74,979	78,584	68,623
Health		6,445	6,407	6,956	8,067	9,769	9,769	8,012	8,057	8,522
Economic and environmental services		117,542	139,837	297,766	251,645	258,699	258,699	240,180	222,824	240,845
Planning and development		15,839	16,637	17,283	18,982	18,760	18,760	20,824	22,046	23,737
Road transport		97,987	119,226	276,864	230,973	238,040	238,040	213,477	194,635	210,688
Environmental protection		3,716	3,974	3,619	1,691	1,899	1,899	5,879	6,143	6,421
Trading services		502,088	575,416	610,401	665,394	667,439	667,439	723,862	754,399	791,704
Electricity		323,020	358,733	384,669	432,164	428,079	428,079	473,012	497,151	525,163
Water		76,708	97,508	104,299	102,380	103,994	103,994	109,364	112,061	115,262
Waste water management		59,794	71,250	73,725	81,432	83,633	83,633	88,217	88,862	92,179
Waste management		42,565	47,925	47,708	49,418	51,733	51,733	53,269	56,324	59,100
Other	4	2,109	2,300	2,655	2,821	2,921	2,921	3,665	3,658	3,862
Total Expenditure - Standard	3	937,999	999,841	1,263,091	1,215,996	1,278,991	1,278,991	1,360,547	1,396,391	1,470,685
Surplus/(Deficit) for the year		(5,019)	54,384	251,466	59,339	90,793	90,793	97,810	146,143	171,353

References

1. Government Finance Statistics Functions and Sub-functions are standardised to assist the compilation of national and international accounts for comparison purposes
2. Total Revenue by standard classification must reconcile to Total Operating Revenue shown in Budgeted Financial Performance (revenue and expenditure)
3. Total Expenditure by Standard Classification must reconcile to Total Operating Expenditure shown in Budgeted Financial Performance (revenue and expenditure)
4. All amounts must be classified under a standard classification (modified GFS). The GFS function 'Other' is only for Abattoirs, Air Transport, Markets and Tourism - and if used must be supported by footnotes. Nothing else may be placed under 'Other'. Assign associate share to relevant classification

Table 21 – A3: Budgeted Financial Performance by municipal vote

Vote Description R thousand	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Revenue by Vote	1									
Vote 1 - Office of the Municipal Manager		2,564	456	4,861	238	906	906	680	277	293
Vote 2 - Office of the Municipal Manager		–	–	–	–	–	–	–	–	–
Vote 3 - Corporate Services		670	1,853	2,381	1,518	1,637	1,637	1,619	1,726	1,838
Vote 4 - Corporate Services		1,718	1,764	1,859	2,000	2,448	2,448	2,647	2,377	2,393
Vote 5 - Community Services		27,827	33,233	74,315	34,005	74,692	74,692	79,943	80,860	84,113
Vote 6 - Community Services		3,320	9,605	22,676	5,866	13,159	13,159	8,100	8,058	8,519
Vote 7 - Community Services		58,347	59,012	67,919	66,081	66,511	66,511	72,706	76,809	81,436
Vote 8 - Human Settlements, Land Affairs & Planning		78,251	48,088	35,452	22,855	36,207	36,207	54,131	73,015	95,709
Vote 9 - Civil Engineering Services		217,781	287,011	645,256	437,181	471,656	471,656	468,130	482,758	505,575
Vote 10 - Electrotechnical Services		387,486	440,618	474,145	503,332	499,577	499,577	554,538	588,229	620,209
Vote 11 - Financial Services		154,040	168,099	181,472	196,477	197,209	197,209	210,318	222,791	236,219
Vote 12 - Financial Services		976	4,486	4,219	5,782	5,782	5,782	5,545	5,636	5,732
Total Revenue by Vote	2	932,980	1,054,225	1,514,557	1,275,334	1,369,784	1,369,784	1,458,358	1,542,535	1,642,038
Expenditure by Vote to be appropriated	1									
Vote 1 - Office of the Municipal Manager		58,426	58,109	69,543	59,292	60,990	60,990	72,511	80,093	95,656
Vote 2 - Office of the Municipal Manager		–	–	–	–	–	–	652	655	871
Vote 3 - Corporate Services		18,174	18,403	20,132	19,613	20,288	20,288	22,501	23,117	24,214
Vote 4 - Corporate Services		12,252	14,397	18,671	19,712	21,558	21,558	22,656	23,929	25,432
Vote 5 - Community Services		56,095	56,630	100,847	64,297	96,159	96,159	105,678	109,427	114,391
Vote 6 - Community Services		29,383	31,413	31,573	29,338	32,695	32,695	35,218	35,263	36,907
Vote 7 - Community Services		47,166	52,688	52,806	55,309	57,624	57,624	58,889	62,303	65,482
Vote 8 - Human Settlements, Land Affairs & Planning		107,372	76,676	63,332	52,323	65,848	65,848	86,813	91,095	82,208
Vote 9 - Civil Engineering Services		228,136	281,710	448,424	407,003	417,817	417,817	403,305	387,370	409,403
Vote 10 - Electrotechnical Services		326,578	362,184	388,696	437,062	433,172	433,172	478,905	502,621	530,883
Vote 11 - Financial Services		41,113	31,897	51,528	52,834	52,625	52,625	54,593	60,849	64,556
Vote 12 - Financial Services		13,303	15,735	17,539	19,215	20,215	20,215	18,828	19,670	20,682
Total Expenditure by Vote	2	937,999	999,841	1,263,091	1,215,996	1,278,991	1,278,991	1,360,547	1,396,391	1,470,685
Surplus/(Deficit) for the year	2	(5,019)	54,384	251,466	59,339	90,793	90,793	97,810	146,143	171,353

References

1. Insert 'Vote'; e.g. department, if different to standard classification structure
2. Must reconcile to Budgeted Financial Performance (revenue and expenditure)
3. Assign share in 'associate' to relevant Vote

Table 22 – A4: Budgeted Financial Performance by revenue source and expenditure type

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand	1									
Revenue By Source										
Property rates	2	127,788	143,438	154,011	171,573	171,250	171,250	183,591	194,527	206,218
Property rates - penalties & collection charges		1,218	3,845	3,759	5,509	5,509	5,509	5,312	5,420	5,536
Service charges - electricity revenue	2	373,785	422,009	445,932	475,717	471,917	471,917	526,838	557,852	590,663
Service charges - water revenue	2	66,393	85,158	91,035	91,594	93,810	93,810	99,543	104,735	110,156
Service charges - sanitation revenue	2	52,176	54,625	63,811	58,051	60,838	60,838	63,597	66,007	68,414
Service charges - refuse revenue	2	35,101	37,420	40,432	42,379	43,376	43,376	46,548	48,249	49,945
Service charges - other		331	347	375	396	396	396	419	444	471
Rental of facilities and equipment		2,103	2,158	2,273	2,289	2,345	2,345	2,497	2,647	2,806
Interest earned - external investments		14,715	14,613	22,386	18,732	18,732	18,732	19,856	21,047	22,310
Interest earned - outstanding debtors		3,573	3,644	3,932	4,392	4,392	4,392	4,560	4,833	5,123
Dividends received		–	–	–	–	–	–	–	–	–
Fines		15,057	20,069	60,966	17,515	49,033	49,033	58,139	60,458	62,479
Licences and permits		2,451	2,508	2,089	2,601	2,601	2,601	2,758	2,923	3,099
Agency services		5,751	6,291	6,961	6,586	6,586	6,586	6,982	7,400	7,844
Transfers recognised - operational		153,465	149,611	290,629	236,512	254,133	254,133	274,184	266,411	282,533
Other revenue	2	16,859	15,974	18,714	15,398	25,108	25,108	25,438	25,453	26,544
Gains on disposal of PPE		–	296	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		870,766	962,007	1,207,305	1,149,245	1,210,027	1,210,027	1,320,261	1,368,409	1,444,141
Expenditure By Type										
Employee related costs	2	248,883	269,333	311,839	308,230	320,660	320,660	341,820	368,703	405,414
Remuneration of councillors		13,868	14,548	15,568	18,139	18,139	18,139	19,227	20,381	21,604
Debt impairment	3	19,558	31,206	69,604	20,000	51,517	51,517	62,181	64,603	66,539
Depreciation & asset impairment	2	105,360	106,204	110,053	111,412	114,790	114,790	120,149	106,772	104,345
Finance charges		57,217	55,451	51,160	47,984	46,688	46,688	44,104	39,838	36,320
Bulk purchases	2	244,403	276,450	287,736	324,002	317,965	317,965	363,243	385,037	408,140
Other materials	8	140	135	227	268	243	243	242	256	272
Contracted services		100,248	95,188	234,571	181,672	180,590	180,590	203,216	190,209	195,916
Transfers and grants		1,188	1,520	2,368	3,043	3,003	3,003	3,165	3,302	3,403
Other expenditure	4, 5	135,848	149,530	179,865	201,247	225,397	225,397	203,200	217,290	228,732
Loss on disposal of PPE		11,286	278	99	–	–	–	–	–	–
Total Expenditure		937,999	999,841	1,263,091	1,215,996	1,278,991	1,278,991	1,360,547	1,396,391	1,470,685
Surplus/(Deficit)										
		(67,233)	(37,835)	(55,786)	(66,751)	(68,964)	(68,964)	(40,286)	(27,983)	(26,544)
Transfers recognised - capital		50,035	82,905	273,074	118,340	152,007	152,007	129,882	165,418	188,667
Contributions recognised - capital	6	12,149	8,564	17,291	7,750	7,750	7,750	8,215	8,708	9,230
Contributed assets		29	749	16,887	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		(5,019)	54,384	251,466	59,339	90,793	90,793	97,810	146,143	171,353
Taxation		–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after taxation		(5,019)	54,384	251,466	59,339	90,793	90,793	97,810	146,143	171,353
Attributable to minorities		–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality		(5,019)	54,384	251,466	59,339	90,793	90,793	97,810	146,143	171,353
Share of surplus/ (deficit) of associate	7	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year		(5,019)	54,384	251,466	59,339	90,793	90,793	97,810	146,143	171,353

References

1. Classifications are revenue sources and expenditure type

2. Detail to be provided in Table SA1

3. Previously described as 'bad or doubtful debts' - amounts shown should reflect the change in the provision for debt impairment

4. Expenditure type components previously shown under repairs and maintenance should be allocated back to the originating expenditure group/item; e.g. employee costs

5. Repairs & maintenance detailed in Table A9 and Table SA34c

6. Contributions are funds provided by external organisations to assist with infrastructure development; e.g. developer contributions (detail to be provided in Table SA1)

7. Equity method

8. All materials not part of 'bulk' e.g. road making materials, pipe, cable etc.

Table 23 – A5: Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description R thousand	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Capital expenditure - Vote										
Multi-year expenditure to be appropriated										
Vote 3 - Corporate Services	1,212	-	-	-	-	-	-	-	-	-
Vote 5 - Community Services	-	-	-	3,000	3,000	3,000	3,000	2,000	-	-
Vote 6 - Community Services	-	1,609	795	-	-	-	-	-	-	-
Vote 9 - Civil Engineering Services	19,587	39,445	257,444	90,600	100,644	100,644	100,644	93,899	137,237	133,971
Vote 10 - Electrotechnical Services	7,002	7,273	11,815	29,100	19,580	19,580	19,580	17,840	13,168	14,286
Capital multi-year expenditure sub-total	27,801	48,327	270,053	122,700	123,224	123,224	123,224	113,740	150,405	148,257
Single-year expenditure to be appropriated										
Vote 1 - Office of the Municipal Manager	84	238	3,904	2,410	2,692	2,692	2,692	2,385	100	-
Vote 3 - Corporate Services	808	1,113	930	910	910	910	910	1,780	2,310	1,460
Vote 4 - Corporate Services	-	62	64	966	946	946	946	5,452	2,030	1,730
Vote 5 - Community Services	3,337	2,953	4,685	3,613	5,544	5,544	5,544	8,029	8,449	3,040
Vote 6 - Community Services	1,519	2,885	18,371	8,354	11,390	11,390	11,390	6,141	6,884	5,917
Vote 7 - Community Services	-	347	3,914	12,290	3,440	3,440	3,440	8,430	9,600	3,350
Vote 8 - Human Settlements, Land Affairs & Planning	1,141	897	2,501	14,036	2,575	2,575	2,575	4,445	33,185	66,380
Vote 9 - Civil Engineering Services	46,193	52,410	31,895	65,254	63,038	63,038	63,038	71,544	103,073	86,500
Vote 10 - Electrotechnical Services	28,611	10,592	9,204	21,360	21,319	21,319	21,319	16,050	17,660	14,610
Vote 11 - Financial Services	200	139	676	350	470	470	470	593	57	-
Capital single-year expenditure sub-total	81,894	71,634	76,143	129,543	112,323	112,323	112,323	124,849	183,347	182,987
Total Capital Expenditure - Vote	109,695	119,961	346,197	252,243	235,547	235,547	235,547	238,588	333,752	331,244
Capital Expenditure - Standard										
Governance and administration	284	712	2,863	9,991	10,452	10,452	10,452	11,520	6,932	6,095
Executive and council	84	238	746	2,400	2,610	2,610	2,610	2,333	100	-
Budget and treasury office	200	139	676	350	470	470	470	593	57	-
Corporate services	-	335	1,441	7,241	7,372	7,372	7,372	8,594	6,775	6,095
Community and public safety	8,010	9,183	26,336	29,544	22,989	22,989	22,989	21,883	48,884	75,692
Community and social services	2,025	1,228	1,274	4,335	4,263	4,263	4,263	3,788	2,265	395
Sport and recreation	1,512	4,400	18,548	8,209	9,695	9,695	9,695	5,821	5,544	5,877
Public safety	3,333	2,608	4,013	2,939	4,832	4,832	4,832	7,809	7,890	3,040
Housing	1,141	897	2,501	14,036	2,575	2,575	2,575	4,445	33,185	66,380
Health	-	50	-	25	1,625	1,625	1,625	20	-	-
Economic and environmental services	14,128	24,080	230,703	92,013	99,506	99,506	99,506	94,875	130,666	112,568
Planning and development	-	-	-	10	11	11	11	-	-	-
Road transport	14,121	24,080	230,085	91,933	99,425	99,425	99,425	94,875	130,626	112,528
Environmental protection	7	-	618	70	70	70	70	-	40	40
Trading services	87,273	85,986	83,137	120,695	102,528	102,528	102,528	110,259	147,270	136,889
Electricity	35,613	17,865	19,970	44,190	34,539	34,539	34,539	31,090	27,428	25,596
Water	21,487	30,686	10,791	22,808	7,707	7,707	7,707	34,567	63,616	53,734
Waste water management	30,172	37,089	48,463	41,407	56,842	56,842	56,842	36,172	46,627	54,209
Waste management	-	347	3,914	12,290	3,440	3,440	3,440	8,430	9,600	3,350
Other	-	-	3,157	-	71	71	71	52	-	-
Total Capital Expenditure - Standard	109,695	119,961	346,197	252,243	235,547	235,547	235,547	238,588	333,752	331,244
Funded by:										
National Government	38,703	40,616	213,787	114,841	118,017	118,017	118,017	110,006	121,568	118,667
Provincial Government	11,332	42,289	59,287	16,743	27,649	27,649	27,649	17,050	33,850	70,000
District Municipality	-	-	-	6,000	5,841	5,841	5,841	2,826	-	-
Other transfers and grants	-	-	1,040	51,681	23,066	23,066	23,066	11,931	6,176	-
Transfers recognised - capital	50,035	82,905	274,113	189,265	174,573	174,573	174,573	141,812	161,594	188,667
Public contributions & donations	29	749	15,848	-	-	-	-	-	-	-
Borrowing	20,291	-	10,595	13,505	13,525	13,525	13,525	21,250	71,975	62,860
Internally generated funds	39,340	36,306	45,641	49,473	47,449	47,449	47,449	75,526	100,183	79,717
Total Capital Funding	109,695	119,961	346,197	252,243	235,547	235,547	235,547	238,588	333,752	331,244

Table 24 – A6: Budgeted Financial Position

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand										
ASSETS										
Current assets										
Cash		218,901	266,877	387,195	436,879	428,803	428,803	427,260	460,016	437,270
Call investment deposits	1	–	–	–	–	–	–	–	–	–
Consumer debtors	1	87,298	95,526	86,280	87,084	87,084	87,084	75,814	79,035	82,000
Other debtors		39,105	71,957	244,711	42,120	58,796	58,796	60,559	61,468	63,312
Current portion of long-term receivables		333	304	328	218	218	218	231	233	242
Inventory	2	185,077	183,695	174,687	160,012	160,012	160,012	166,412	168,076	166,576
Total current assets		530,714	618,359	893,201	726,313	734,912	734,912	730,277	768,828	749,401
Non current assets										
Long-term receivables		1,098	1,164	989	653	653	653	587	502	532
Investments		–	–	–	–	–	–	–	–	–
Investment property		149,918	152,741	152,579	147,696	150,071	150,071	147,516	145,109	142,895
Investment in Associate		–	–	–	–	–	–	–	–	–
Property, plant and equipment	3	2,327,991	2,319,721	2,416,256	2,661,427	2,538,136	2,538,136	2,622,214	2,758,869	2,848,263
Agricultural		–	–	–	–	–	–	–	–	–
Biological		–	–	–	–	–	–	–	–	–
Intangible		1,802	1,289	800	683	800	800	1,475	1,685	1,847
Other non-current assets		–	–	–	–	–	–	–	–	–
Total non current assets		2,480,809	2,474,914	2,570,624	2,810,460	2,689,660	2,689,660	2,771,791	2,906,165	2,993,538
TOTAL ASSETS		3,011,523	3,093,273	3,463,825	3,536,773	3,424,572	3,424,572	3,502,068	3,674,992	3,742,939
LIABILITIES										
Current liabilities										
Bank overdraft	1	–	–	–	–	–	–	–	–	–
Borrowing	4	33,843	36,963	42,276	43,812	43,812	43,812	38,442	38,826	40,379
Consumer deposits		15,933	17,697	19,902	20,315	20,315	20,315	20,519	18,019	18,199
Trade and other payables	4	134,358	171,630	179,374	201,017	216,835	216,835	147,601	143,888	148,776
Provisions		26,351	38,307	142,530	25,271	25,271	25,271	26,282	21,282	21,708
Total current liabilities		210,485	264,598	384,082	290,416	306,235	306,235	232,844	222,015	229,062
Non current liabilities										
Borrowing		487,034	450,070	418,049	400,757	400,757	400,757	427,377	486,143	541,590
Provisions		122,769	131,054	163,716	134,088	134,088	134,088	135,490	130,652	125,652
Total non current liabilities		609,802	581,124	581,765	534,844	534,844	534,844	562,867	616,795	667,242
TOTAL LIABILITIES		820,287	845,722	965,847	825,260	841,079	841,079	795,711	838,810	896,304
NET ASSETS	5	2,191,236	2,247,551	2,497,977	2,711,512	2,583,493	2,583,493	2,706,357	2,836,183	2,846,635
COMMUNITY WEALTH/EQUITY										
Accumulated Surplus/(Deficit)		2,117,225	2,170,221	2,428,493	2,639,671	2,496,651	2,496,651	2,632,961	2,762,052	2,775,005
Reserves	4	74,011	77,330	69,484	71,842	86,842	86,842	73,396	74,130	71,630
Minorities' interests		–	–	–	–	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	5	2,191,236	2,247,551	2,497,977	2,711,512	2,583,493	2,583,493	2,706,357	2,836,183	2,846,635

References

1. Detail to be provided in Table SA3
2. Include completed low cost housing to be transferred to beneficiaries within 12 months
3. Include 'Construction-work-in-progress' (disclosed separately in annual financial statements)
4. Detail to be provided in Table SA3. Includes reserves to be funded by statute.
5. Net assets must balance with Total Community Wealth/Equity

Table 25 – A7: Budgeted Cash Flow

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates, penalties & collection charges		134,073	140,423	165,382	169,999	192,705	192,705	192,705	181,347	191,950	203,284
Service charges		501,135	568,421	625,955	641,411	643,523	643,523	643,523	707,467	746,196	786,863
Other revenue		38,712	37,970	46,918	51,423	67,325	67,325	67,325	42,174	39,120	36,391
Government - operating	1	151,440	164,072	251,627	242,334	256,724	256,724	256,724	274,024	267,245	282,986
Government - capital	1	69,344	95,637	274,884	142,274	151,481	151,481	151,481	122,954	171,101	194,237
Interest		15,176	14,936	22,625	23,124	23,124	23,124	23,124	24,415	25,880	27,433
Dividends		-	-	-	-	-	-	-	-	-	-
Payments											
Suppliers and employees		(724,938)	(770,699)	(856,815)	(988,639)	(1,061,998)	(1,061,998)	(1,061,998)	(1,081,000)	(1,135,240)	(1,212,078)
Finance charges		(57,217)	(55,451)	(51,111)	(47,984)	(46,688)	(46,688)	(46,688)	(44,104)	(39,838)	(36,320)
Transfers and Grants	1	(1,188)	(1,520)	(2,368)	(3,043)	(3,043)	(3,043)	(3,043)	(3,165)	(3,302)	(3,403)
NET CASH FROM/(USED) OPERATING ACTIVITIES		126,537	193,789	477,098	230,898	223,152	223,152	223,152	224,112	263,114	279,393
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		149	330	1	15,000	5,000	5,000	5,000	6,063	5,994	6,445
Decrease (Increase) in non-current debtors		-	-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables		243	(990)	(1,880)	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-
Payments											
Capital assets		(109,998)	(113,075)	(330,349)	(176,570)	(166,920)	(166,920)	(166,920)	(214,729)	(267,001)	(331,244)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(109,606)	(113,734)	(332,228)	(161,570)	(161,920)	(161,920)	(161,920)	(208,666)	(261,007)	(324,799)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	10,206	13,505	13,525	13,525	13,525	21,250	71,975	62,860
Increase (decrease) in consumer deposits		-	1,764	2,205	495	495	495	495	203	(2,500)	180
Payments											
Repayment of borrowing		(30,526)	(33,843)	(36,963)	(33,644)	(33,644)	(33,644)	(33,644)	(38,442)	(38,826)	(40,379)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(30,526)	(32,079)	(24,552)	(19,644)	(19,624)	(19,624)	(19,624)	(16,988)	30,649	22,661
NET INCREASE/(DECREASE) IN CASH HELD		(13,596)	47,976	120,318	49,684	41,608	41,608	41,608	(1,542)	32,755	(22,745)
Cash/cash equivalents at the year begin:	2	232,497	218,901	266,877	387,195	387,195	387,195	387,195	428,803	427,260	460,016
Cash/cash equivalents at the year end:	2	218,901	266,877	387,195	436,879	428,803	428,803	428,803	427,260	460,016	437,270

References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less
3. The MTREF is populated directly from SA30.

Table 26 – A8: Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Cash and investments available											
Cash/cash equivalents at the year end	1	218,901	266,877	387,195	436,879	428,803	428,803	428,803	427,260	460,016	437,270
Other current investments > 90 days		-	0	(0)	(0)	(0)	(0)	(0)	0	0	0
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		218,901	266,877	387,195	436,879	428,803	428,803	428,803	427,260	460,016	437,270
Application of cash and investments											
Unspent conditional transfers		41,994	70,412	62,924	42,613	58,432	58,432	58,432	39,698	43,835	47,722
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	3	(29,936)	(56,712)	(194,729)	33,073	17,125	17,125	17,125	(16,348)	(27,427)	(30,356)
Other provisions		-	-	-	-	-	-	-	-	-	-
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	176,907	195,385	448,590	125,802	140,802	140,802	150,802	207,882	210,975	215,208
Total Application of cash and investments:		188,965	209,085	316,785	201,488	216,359	216,359	226,359	231,233	227,383	232,575
Surplus(shortfall)		29,936	57,792	70,410	235,391	212,444	212,444	202,444	196,028	232,632	204,696

Table 27 – A9: Asset Management

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
CAPITAL EXPENDITURE										
<u>Total New Assets</u>	1	92,289	100,227	323,879	228,887	212,627	212,627	202,843	275,512	268,363
Infrastructure - Road transport		6,585	21,766	219,286	87,355	84,866	84,866	83,670	124,587	143,578
Infrastructure - Electricity		32,441	17,241	19,319	47,880	36,470	36,470	32,790	25,618	23,986
Infrastructure - Water		16,922	29,202	8,529	20,640	4,295	4,295	24,267	54,746	45,834
Infrastructure - Sanitation		10,270	30,875	14,689	28,841	44,805	44,805	16,872	12,437	11,368
Infrastructure - Other		3,643	7,285	25,596	7,250	–	–	4,000	7,250	1,000
Infrastructure		69,860	106,370	287,419	191,966	170,436	170,436	161,598	224,638	225,766
Community		17,949	(9,381)	18,698	9,029	13,415	13,415	8,932	21,529	21,980
Heritage assets		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Other assets	6	4,480	3,237	17,763	27,891	28,776	28,776	31,063	28,396	19,667
Agricultural Assets		–	–	–	–	–	–	–	–	–
Biological assets		–	–	–	–	–	–	–	–	–
Intangibles		–	–	–	–	–	–	1,250	950	950
<u>Total Renewal of Existing Assets</u>	2	17,406	19,734	22,317	23,356	22,920	22,920	35,745	58,240	62,881
Infrastructure - Road transport		6,633	6,457	10,894	12,500	10,500	10,500	12,000	19,000	16,500
Infrastructure - Electricity		2,119	595	1,363	300	300	300	300	1,000	1,000
Infrastructure - Water		1,265	–	–	425	2,450	2,450	1,000	–	–
Infrastructure - Sanitation		7,093	8,925	3,421	7,571	7,792	7,792	15,200	30,040	38,091
Infrastructure - Other		–	–	81	–	–	–	–	–	–
Infrastructure		17,110	15,977	15,759	20,796	21,042	21,042	28,500	50,040	55,591
Community		190	2,354	1,078	520	155	155	740	30	30
Heritage assets		–	–	29	380	380	380	150	150	150
Investment properties		–	–	–	–	–	–	–	–	–
Other assets	6	107	1,403	5,451	1,660	1,343	1,343	6,355	8,020	7,110
Agricultural Assets		–	–	–	–	–	–	–	–	–
Biological assets		–	–	–	–	–	–	–	–	–
Intangibles		–	–	–	–	–	–	–	–	–
<u>Total Capital Expenditure</u>	4									
Infrastructure - Road transport		13,219	28,224	230,180	99,855	95,366	95,366	95,670	143,587	160,078
Infrastructure - Electricity		34,560	17,835	20,682	48,180	36,770	36,770	33,090	26,618	24,986
Infrastructure - Water		18,187	29,202	8,529	21,065	6,745	6,745	25,267	54,746	45,834
Infrastructure - Sanitation		17,362	39,800	18,110	36,412	52,597	52,597	32,072	42,477	49,459
Infrastructure - Other		3,643	7,285	25,677	7,250	–	–	4,000	7,250	1,000
Infrastructure		86,970	122,347	303,178	212,763	191,478	191,478	190,098	274,678	281,357
Community		18,139	(7,027)	19,776	9,549	13,570	13,570	9,672	21,559	22,010
Heritage assets		–	–	29	380	380	380	150	150	150
Investment properties		–	–	–	–	–	–	–	–	–
Other assets		4,587	4,640	23,214	29,551	30,119	30,119	37,418	36,416	26,777
Agricultural Assets		–	–	–	–	–	–	–	–	–
Biological assets		–	–	–	–	–	–	–	–	–
Intangibles		–	–	–	–	–	–	1,250	950	950
TOTAL CAPITAL EXPENDITURE - Asset class	2	109,695	119,961	346,197	252,243	235,547	235,547	238,588	333,752	331,244
ASSET REGISTER SUMMARY - PPE (WDV)	5									
Infrastructure - Road transport		372,990	359,179	407,338	437,122	459,301	459,301	493,537	561,405	602,932
Infrastructure - Electricity		253,692	236,867	243,955	338,011	260,795	260,795	271,929	278,229	278,283
Infrastructure - Water		200,970	399,724	387,175	334,973	368,328	368,328	364,922	382,138	388,266
Infrastructure - Sanitation		352,107	180,370	209,165	233,223	246,080	246,080	255,714	271,570	288,011
Infrastructure - Other		7,045	9,552	14,259	19,396	13,250	13,250	14,476	17,953	17,524
Infrastructure		1,186,804	1,185,692	1,261,892	1,362,725	1,347,755	1,347,755	1,400,578	1,511,295	1,575,016
Community		152,700	146,038	161,029	267,977	168,034	168,034	166,129	170,548	178,300
Heritage assets		4,236	4,236	4,236	4,645	4,616	4,616	4,766	4,916	5,066
Investment properties		149,918	152,741	152,579	147,696	150,071	150,071	147,516	145,109	142,895
Other assets		984,251	983,754	989,099	1,026,079	1,017,731	1,017,731	1,050,741	1,072,109	1,089,882
Agricultural Assets		–	–	–	–	–	–	–	–	–
Biological assets		–	–	–	–	–	–	–	–	–
Intangibles		1,802	1,289	800	683	800	800	1,475	1,685	1,847
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	2,479,712	2,473,751	2,569,635	2,809,807	2,689,007	2,689,007	2,771,204	2,905,662	2,993,006

Table 27 – A9: Asset Management (continues)

Description R thousand	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
EXPENDITURE OTHER ITEMS										
Depreciation & asset impairment		105,360	106,204	110,053	111,412	114,790	114,790	120,149	106,772	104,345
Repairs and Maintenance by Asset Class	3	52,814	62,122	65,059	80,780	83,199	83,199	89,469	95,149	100,614
Infrastructure - Road transport		17,490	19,992	18,899	21,014	19,034	19,034	20,539	22,170	23,888
Infrastructure - Electricity		5,029	5,604	5,816	8,918	7,867	7,867	9,602	10,303	10,923
Infrastructure - Water		3,706	6,051	5,910	6,920	6,805	6,805	7,458	8,024	8,484
Infrastructure - Sanitation		11,039	14,390	16,218	17,772	19,009	19,009	21,153	22,637	23,671
Infrastructure - Other		45	56	80	210	210	210	221	233	247
Infrastructure		37,309	46,093	46,923	54,834	52,925	52,925	58,974	63,368	67,214
Community		3,057	3,018	4,034	8,109	9,764	9,764	9,336	9,394	9,708
Heritage assets		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Other assets	6, 7	12,448	13,012	14,103	17,837	20,510	20,510	21,159	22,386	23,692
TOTAL EXPENDITURE OTHER ITEMS		158,173	168,327	175,112	192,192	197,989	197,989	209,618	201,921	204,959
Renewal of Existing Assets as % of total capex		15.9%	16.5%	6.4%	9.3%	9.7%	9.7%	15.0%	17.5%	19.0%
Renewal of Existing Assets as % of deprecn"		16.5%	18.6%	20.3%	21.0%	20.0%	20.0%	29.8%	54.5%	60.3%
R&M as a % of PPE		2.3%	2.7%	2.7%	3.0%	3.3%	3.3%	3.4%	3.4%	3.5%
Renewal and R&M as a % of PPE		3.0%	3.0%	3.0%	4.0%	4.0%	4.0%	5.0%	5.0%	5.0%

References

1. Detail of new assets provided in Table SA34a
2. Detail of renewal of existing assets provided in Table SA34b
3. Detail of Repairs and Maintenance by Asset Class provided in Table SA34c
4. Must reconcile to total capital expenditure on Budgeted Capital Expenditure
5. Must reconcile to 'Budgeted Financial Position' (written down value)
6. Donated/contributed and assets funded by finance leases to be allocated to the respective category
7. Including repairs and maintenance to agricultural, biological and intangible assets

Table 28 – A10: Basic Service delivery measurement

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Household service targets	1									
Water:										
Piped water inside dwelling		35,419	34,114	34,114	35,493	35,493	34,200	34,780	35,450	35,990
Piped water inside yard (but not in dwelling)		1,384	13,994	13,994	14,559	14,559	14,000	14,100	14,240	14,249
Using public tap (at least min.service level)	2	285	162	162	1,217	1,217	1,217	1,220	1,221	1,226
Other water supply (at least min.service level)	4	4,184	4,099	4,099	–	–	4,099	4,099	4,099	4,099
<i>Minimum Service Level and Above sub-total</i>		41,272	52,369	52,369	51,269	51,269	53,516	54,199	55,010	55,564
Using public tap (< min.service level)	3	50	120	120	168	168	168	169	170	177
Other water supply (< min.service level)	4	–	758	758	914	914	758	758	758	758
No water supply		–	306	306	–	–	306	306	306	306
<i>Below Minimum Service Level sub-total</i>		50	1,184	1,184	1,082	1,082	1,232	1,233	1,234	1,241
Total number of households	5	41,322	53,553	53,553	52,351	52,351	54,748	55,432	56,244	56,805
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		35,308	42,267	44,300	48,317	48,317	45,629	46,085	46,546	47,012
Flush toilet (with septic tank)		–	4,867	4,867	5,063	5,063	4,867	4,916	4,965	5,014
Chemical toilet		1,416	811	811	241	241	1,085	1,096	1,107	1,118
Pit toilet (ventilated)		–	–	–	844	844	–	–	–	–
Other toilet provisions (> min.service level)		4,463	4,405	4,405	1,252	1,252	4,405	4,405	4,405	4,405
<i>Minimum Service Level and Above sub-total</i>		41,187	52,350	54,383	55,717	55,717	55,986	56,502	57,023	57,549
Bucket toilet		–	–	–	–	–	–	–	–	–
Other toilet provisions (< min.service level)		–	–	–	–	–	–	–	–	–
No toilet provisions		414	1,203	1,203	–	–	–	–	–	–
<i>Below Minimum Service Level sub-total</i>		414	1,203	1,203	–	–	–	–	–	–
Total number of households	5	41,601	53,553	55,586	55,717	55,717	55,986	56,502	57,023	57,549
Energy:										
Electricity (at least min.service level)		1,465	1,441	1,426	1,600	1,600	1,310	1,320	1,295	1,210
Electricity - prepaid (min.service level)		33,842	34,482	35,504	36,757	36,757	36,800	37,168	37,540	37,915
<i>Minimum Service Level and Above sub-total</i>		35,307	35,923	36,930	38,357	38,357	38,110	38,488	38,835	39,125
Electricity (< min.service level)		–	–	–	9,442	9,442	–	–	–	–
Electricity - prepaid (< min. service level)		4,938	4,337	4,307	–	–	4,375	4,419	4,463	4,508
Other energy sources		–	–	–	–	–	–	–	–	–
<i>Below Minimum Service Level sub-total</i>		4,938	4,337	4,307	9,442	9,442	4,375	4,419	4,463	4,508
Total number of households	5	40,245	40,260	41,237	47,799	47,799	42,485	42,907	43,298	43,633
Refuse:										
Removed at least once a week		43,000	43,000	49,300	43,800	43,800	49,700	50,197	51,201	51,713
<i>Minimum Service Level and Above sub-total</i>		43,000	43,000	49,300	43,800	43,800	49,700	50,197	51,201	51,713
Removed less frequently than once a week		–	–	–	–	–	–	–	–	–
Using communal refuse dump		–	–	–	–	–	–	–	–	–
Using own refuse dump		–	–	–	–	–	–	–	–	–
Other rubbish disposal		–	–	–	–	–	–	–	–	–
No rubbish disposal		–	–	–	3,999	3,999	–	–	–	–
<i>Below Minimum Service Level sub-total</i>		–	–	–	3,999	3,999	–	–	–	–
Total number of households	5	43,000	43,000	49,300	47,799	47,799	49,700	50,197	51,201	51,713

Table 28 – A10: Basic Service delivery measurement (continues)

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		30,998	33,899	33,821	35,453	35,453	34,200	34,780	35,450	35,990
Sanitation (free minimum level service)		16,347	15,448	16,334	15,388	15,388	16,497	16,662	16,828	16,997
Electricity/other energy (50kwh per household per month)		33,281	15,448	16,334	15,388	15,388	16,497	16,662	16,828	16,997
Refuse (removed at least once a week)		12,138	15,448	16,334	15,388	15,388	16,497	16,662	16,828	16,997
Cost of Free Basic Services provided (R'000)	8									
Water (6 kilolitres per household per month)		24,517	35,479	30,550	33,511	33,511	33,511	35,857	38,008	40,289
Sanitation (free sanitation service)		24,100	21,440	19,879	22,490	22,490	22,490	24,064	25,508	27,039
Electricity/other energy (50kwh per household per month)		259,590	134,128	126,224	135,302	135,302	135,302	154,569	163,843	173,674
Refuse (removed once a week)		12,027	17,588	13,721	15,909	15,909	15,909	17,023	18,044	19,127
Total cost of FBS provided (minimum social package)		320,233	208,635	190,375	207,213	207,213	207,213	231,513	245,404	260,128
Highest level of free service provided										
Property rates (R value threshold)							120,000	120,000	120,000	120,000
Water (kilolitres per household per month)	6	6	6	6	6	6	6	6	6	6
Sanitation (kilolitres per household per month)	-	-	-	-	-	-	-	-	-	-
Sanitation (Rand per household per month)	121	130	141	152	152	152	152	162	174	186
Electricity (kwh per household per month)	50	70	70	70	70	70	70	70	70	70
Refuse (average litres per week)	240	240	240	240	240	240	240	240	240	240
Revenue cost of free services provided (R'000)	9									
Property rates (R15 000 threshold rebate)							6,054	6,477	6,866	7,278
Property rates (other exemptions, reductions and rebates)		29,556	27,883	36,524	31,329	31,329	24,466	25,825	27,454	29,082
Water		20,036	22,732	10,531	28,953	28,953	38,878	42,437	45,766	49,379
Sanitation		19,611	24,348	24,840	29,032	29,032	27,711	31,151	34,425	38,045
Electricity/other energy		7,361	5,563	8,704	9,845	9,845	11,885	13,140	14,525	16,056
Refuse		15,512	19,270	19,084	23,409	23,409	21,581	24,255	26,802	29,608
Municipal Housing - rental rebates		9,792	9,792	9,792	9,792	9,792	9,792	9,792	9,792	9,792
Housing - top structure subsidies										
Other										
Total revenue cost of free services provided (total social package)	6	101,868	109,588	109,476	132,360	132,360	140,366	153,076	165,630	179,240

References

1. Include services provided by another entity; e.g. Eskom
2. Stand distance <= 200m from dwelling
3. Stand distance > 200m from dwelling
4. Borehole, spring, rain-water tank etc.
5. Must agree to total number of households in municipal area (informal settlements receiving services must be included)
6. Include value of subsidy provided by municipality above provincial subsidy level
7. Show number of households receiving at least these levels of services completely free (informal settlements must be included)
8. Must reflect the cost to the municipality of providing the Free Basic Service
9. Reflect the cost to the municipality in terms of 'revenue foregone' of providing free services (note this will not equal 'Revenue Foregone' on SA1)

Part 2 – Supporting documentation

2.1 - Disclosure on implementation of the MFMA & other applicable legislation

Municipal Finance Management Act – No 56 of 2003

The MFMA became effective on 1st July 2004. The Act aims to modernise budget and financial management practices within the overall objective of maximising the capacity of municipalities to deliver services.

The MFMA covers all aspects of municipal finance including budgeting, supply chain management and financial reporting.

The various sections of the Act are phased in according to the designated financial management capacity of municipalities. George has been designated as a high capacity municipality. The MFMA is the foundation of the municipal financial management reforms which municipalities are implementing.

The MFMA and the budget

The following explains the budgeting process in terms of the requirements in the MFMA. It is based on National Treasury's guide to the MFMA.

2.2 – The budget preparation process

2.2.1 – Overview

A central element of the reforms is a change to the way that municipalities prepare their budgets.

The MFMA requires a council to adopt three-year capital and operating budgets that take into account, and are linked to, the municipality's current and future development priorities (as contained in the IDP) and other finance-related policies (such as those relating to free basic service provision).

These budgets must clearly set out revenue by source and expenditure by vote over three years and must be accompanied by performance objectives for revenue and expenditure, a cash flow statement and particulars on borrowing, investments, municipal entities and service delivery agreements, grant allocations and details of employment costs.

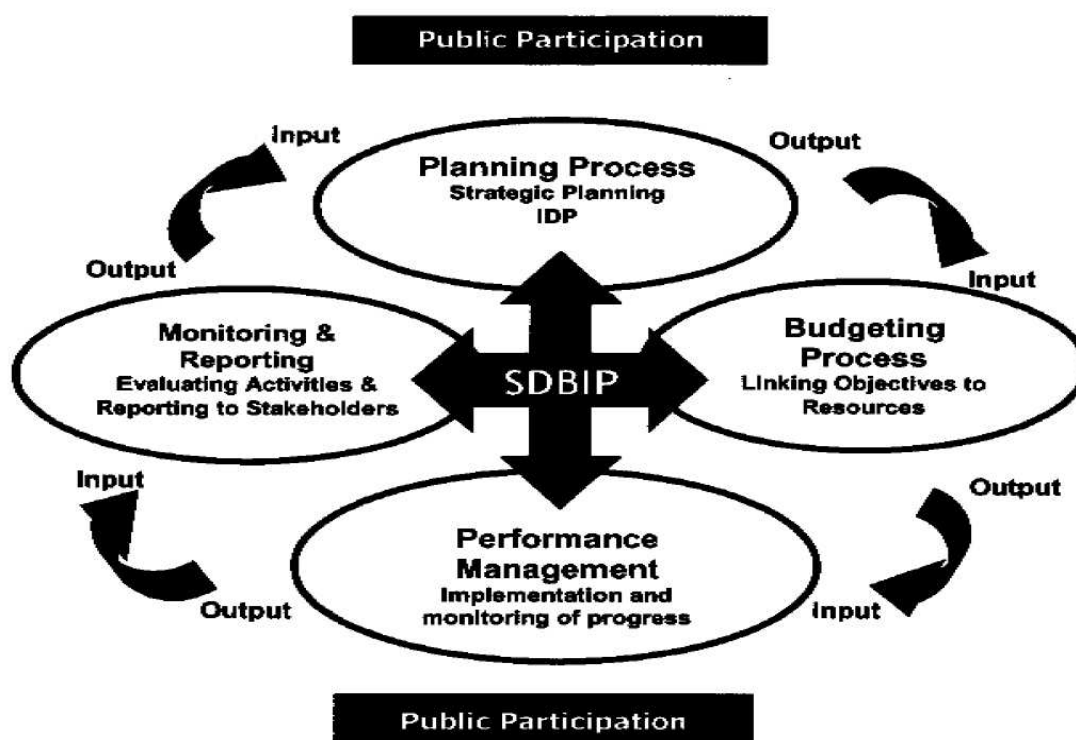
The budget may be funded only from reasonable estimates of revenue and cash-backed surplus funds from the previous year and borrowings (the latter for capital items only).

2.2.2 – Budget preparation timetable

The first step in the budget preparation process is to develop a timetable of all key deadlines relating to the budget and to review the municipality's IDP and budget-related policies.

The budget preparation timetable should be prepared by senior management and tabled by the mayor for council adoption ten months before the commencement of the next budget year.

The next diagram depicts the planning, implementation and monitoring process that is followed in George Municipality.



In terms of Section 21 of the MFMA the Mayor is required to table in Council ten months before the start of the new financial year a time schedule of key deadlines that sets out the process to revise the IDP and prepare the budget.

Table 29 – Schedule of Key Deadlines relating to the budget process

DELIVERABLE AND PROCESS MANAGEMENT	RESPONSIBILITY	OUTPUT	DATE
PREPARATION PHASE			
Development of IDP & Budget Time Schedule including internal consultations with key stakeholders	IDP & Budget Office	Approved IDP and Budget Time Schedule	July- August 2014
District IDP Managers' Forum: Working Sessions on uniform guidelines for IDP Review	IDP Office		July - August 2014
COUNCIL MEETING: Adoption of the 2015/2016 IDP & Budget Time Schedule	Council		August 2014
Advertise/ make public the adopted 2015/2016 IDP & Budget Time Schedule	IDP Office		September 2014
Submit the adopted 2015/2016 IDP & Budget Time Schedule to the MEC for Local Government	IDP Office		September 2014
Provincial Delivery Plan engagements	Western Cape Government, IDP Office, MM and All Directors		October 2014
ANALYSIS PHASE			
First round of public participation in all of the 25 wards: ❖ To provide feedback on progress made on existing projects and share information on future projects; and ❖ To afford the communities an opportunity to engage with the Municipality on matters pertaining to service delivery	IDP Office & Executive Mayor	Determine and assess the current level of development and the emerging challenges, opportunities and priority issues	October 2014
Prepare a report on the outcomes of the public participation process and present it to the IDP and Budget Steering Committee and submit same to the	IDP Office		November 2014

provincial department of Local Government			
District IDP Managers' Forum	IDP Office		November 2014
Reconstitute the IDP and Budget Steering Committee	Executive Mayor		November 2014
Produce an updated situational analysis Chapter of the IDP (informed by new trends, sources of information and new information from Directorates)	IDP Office		November 2014 – January 2015
STRATEGY PHASE			
IDP and Budget Steering Committee: Directors present priority issues/proposed projects	IDP& Budget Steering Committee		February 2015
Mid-year budget and performance assessment visits	IDP Office, MM and All Directors		February – March 2015
Finalise preparations for the Provincial IDP Indaba 2	IDP Office, MM and All Directors	Develop objectives for priority issues and determine programmes to achieve strategic intent including the development of the Strategic Scorecard	February 2015
Produce and outline Budget strategy with high level estimates	Budget Office		February 2015
Review tariffs and budget policies	CFO		February - May 2015
District IDP Managers' Forum: Focusing on the finalisation of all of the B-municipalities' draft reviewed	IDP Office		February 2015

IDPs			
Review / confirm the Municipal Vision, Mission, Strategic Goals and Values	IDP& Budget Steering Committee		February 2015
PROJECT PHASE			
Provincial IDP Indaba 2 – addressing joint implementation of projects informed by Municipal and Provincial planning processes	Sector Departments, IDP Office, MM and All Directors	Identify projects and set output, targets	February 2015
Finalisation of the draft IDP and Budget	IDP/Budget Office		February – March 2015
Co-ordinate the development of draft 2015/16 SDBIP	IDP/Budget Office		March 2014
INTEGRATION PHASE			
Incorporating the outcomes of the Provincial IDP Indaba 2 in the Draft IDP	IDP Office	Incorporate programmes and projects in the IDP	February - March 2015
Integration of sector plans and institutional programmes	IDP Office, MM and All Directors		March 2015
APPROVAL PHASE			
Tabling of the Draft IDP and Budget in Council	Executive Mayor	Approved IDP, budget and Service Delivery and Budget Implementation Plan	March 2015
Submission of draft IDP and budget to relevant institutions	IDP/Budget Office/MM		April 2015
Budget and Benchmark Assessments	IDP Office, MM and All Directors		April – May 2015

Second round of public participation: <ul style="list-style-type: none"> ❖ Invite public comments on Draft IDP and Budget including Roadshows in all of the 25 wards; ❖ To provide feedback on current and future IDP projects as proposed by communities; and ❖ To create an opportunity for inputs on key highlights & proposals from the Draft Budget 	ALL		April/May2015
District IDP Managers' Forum	IDP Office		May 2015
Council meeting to adopt final IDP, Budget and Budget Related Policies	Council		May 2015
Submission of Final IDP and budget to relevant institutions	IDP/Budget Office/MM		May/June 2015
Approved IDP and budget made public	IDP/Budget Office		June 2015
Finalisation and submission of draft 2015/16 SDBIP and annual performance agreement by Municipal Manager to the Executive Mayor.	MM		June/July 2015
Executive Mayor approves the 2015/16 SDBIP and annual performance agreements of the Municipal Manager and Senior Managers within 28 days after the approval of the IDP and budget.	Executive Mayor	Approved SDBIP and annual performance agreements	June/July 2015
Submit the approved SDBIP and performance agreements to MEC Local Government within 14 days after approval	MM/ IDP/Budget Office		July/ August 2015

MONITORING AND EVALUATION PHASE			
Commence with the compilation of the Annual Report 2014/2015	IDP Office & Directorates	Compile annual report	July 2014 - March 2015
Quarterly SDBIP performance progress report for first quarter of 2014/15 to Council	IDP/Budget Office	SDBIP performance report noted	October 2014
Section 56/57 Managers' half-yearly evaluations for 2014/15	MM & Executive Mayor	Performance evaluated	January- March 2015
Mid-year budget and performance assessment MFMA Section 72 (1)(2)(3)	MM/ IDP/Budget Office	Mid-Term finance and service delivery performance report compliant to MFMA	January 2015
Executive Mayor tables the Annual Report 2013/2014 MFMA Section 127 (2)	Executive Mayor	Annual Report 2013/2014 tabled	January 2015
Executive Mayor tables adjustments budget for approval by Council MFMA Section 28	Executive Mayor	Approved adjustments budget	February 2015
Annual Report and adjustments budget made public (invite public inputs on the Annual Report - MFMA 127 & MSA section 21A)	MM	Annual report and adjustments budget made public	February/March 2015
Council adopts Annual & Oversight Report by 31 March MFMA Section 129(1)	MM & Executive Mayor	Oversight report approved	March 2015
Adopted Annual Report including Oversight Report made public within seven days of adoption MFMA Section 129(3) & MSA Section 21A	MM		April 2015
Within seven days of adoption of Annual & Oversight Report submit to Provincial Legislature and relevant MECs	MM		April 2015

Quarterly SDBIP performance progress report for third quarter of 2014/2015 to Council	IDP/Budget Office	SDBIP performance report noted	April 2015
Quarterly SDBIP performance progress report for fourth quarter of 2014/2015 to Council	IDP/Budget Office	SDBIP performance report noted	July 2015
Section 56/57 Managers' Annual Performance Evaluations for 2014/2015	MM & Executive Mayor	Performance evaluated	July- September 2015

2.2.3 – Tabling of the draft budget

The initial draft budget must be tabled by the mayor before council for review by 31 March.

Once tabled at council, the municipal manager must make public the appropriate budget documentation and submit it to both the national and the relevant provincial treasury and any other government departments as required. At this time, the local community must be invited to submit representations on what is contained in the budget.

The municipal budget will be tabled before Council on 26 March 2015.

2.2.4 – Consultation with the community and key stakeholders

When the draft budget is tabled, council must consider the views of the local community, the national and the relevant provincial treasury and other municipalities and government departments that may have made submissions on the budget.

The consultation with National and Provincial Treasuries regarding the MTREF is set to take place during April and May 2015.

An extensive public participation process will be conducted as part of the IDP and Budget Road shows and will commence during April 2015. The overall objective of this road show is to ensure an authentic and inclusive public participation process for the IDP and budget. The planning of this road shows will driven by a steering committee constituted by politicians and officials from all Directorates.

A complete report regarding the feedback on the public participation process will be included in the Final IDP document.

2.3 – Service Delivery and Budget Implementation Plan (SDBIP)

The municipal manager must within fourteen days after the approval of the annual budget submit to the mayor for approval a draft service delivery and budget implementation plan and draft annual performance agreements for all pertinent senior staff.

A service delivery and budget implementation plan is a detailed plan for implementing the delivery of municipal services contemplated in the annual budget and should indicate monthly revenue and expenditure projections and quarterly service delivery targets and performance indicators.

The mayor must approve the draft service delivery and budget implementation plan within 28 days of the approval of the annual budget.

This plan must then be monitored by the mayor and reported on to council on a regular basis. The municipal manager is responsible for implementation of the budget and must take steps to ensure that all spending is in accordance with the budget and that revenue and expenditure are properly monitored.

Generally, councils may incur expenditure only if it is in terms of the budget, within the limits of the amounts appropriated against each budget vote – and in the case of capital expenditure, only if council has approved the project. Expenditure incurred outside of these parameters may be considered to be unauthorised or, in some cases, irregular or fruitless and wasteful. Unauthorised expenditure must be reported and may result in criminal proceedings.

2.4 – Alignment of Annual Budget with IDP

Local priorities were identified as part of the IDP process which is directly aligned to that of national and provincial priorities.

The IDP strategic objectives and goals are set out in the IDP document.

George is a city for all reasons and this along with the strategic vision and mission has led to the conceptualisation of five strategic goals for George. These goals are as follows:



The above strategic goals are set to become the catalysts to ensure that the vision and mission is achieved in the next five years.

The 2015/16 MTREF has therefore been directly informed by the IDP and the following tables provide reconciliation between the IDP strategic objectives and goals.

Table 30 – SA4: Reconciliation between IDP strategic objectives and budgeted operating revenue

Strategic Objective	Goal	Goal Code	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand											
Sanitation	Deliver quality Services in George	1	97,037	111,932	138,348	127,425	140,033	140,033	128,078	119,861	134,795
Water Services	Deliver quality Services in George	1	111,534	136,866	111,471	117,137	121,679	121,679	144,533	157,519	158,886
Roads Streets, Storm water drainage and Sidewalks	Deliver quality Services in George	1	8,962	36,461	70,323	43,866	49,426	49,426	15,963	13,609	16,122
Transport Planning & Traffic Engineering	Deliver quality Services in George	1	248	1,752	325,113	148,754	160,518	160,518	179,556	191,768	195,771
Electricity	Deliver quality Services in George	1	387,424	440,599	474,135	503,332	499,577	499,577	554,538	588,229	620,209
Housing	Deliver quality Services in George	1	71,531	44,755	21,841	16,408	29,461	29,461	46,829	65,284	87,523
Spatial Planning	Good governance in George	4	4,022	4,035	5,064	3,782	4,082	4,082	4,477	4,737	5,012
Property Development	Deliver quality Services in George	1	7,534	4,182	12,509	3,596	3,596	3,596	3,812	4,041	4,283
Public Safety and Law Enforcement	Deliver quality Services in George	1	18,495	22,892	62,820	18,962	54,066	54,066	60,104	62,000	64,116
Road Transport	Deliver quality Services in George	1	8,018	8,453	8,868	9,151	9,151	9,151	9,700	10,282	10,899
Environmental Health	Deliver quality Services in George	1	1	35	2	1	1	1	1	1	1
Public Amenities	Deliver quality Services in George	1	3,486	5,259	3,414	2,156	3,813	3,813	2,286	2,425	2,603
Waste Management	Deliver quality Services in George	1	58,344	58,704	67,564	65,768	66,198	66,198	72,424	76,506	81,113
Sport facilities and Development	Deliver quality Services in George	1	210	4,593	18,838	3,537	7,628	7,628	5,563	5,773	6,087
Local Economic Development	Grow George	2	240	140	101	87	200	200	127	–	–
Tourism	Grow George	2	15	10	3,165	18	18	18	19	20	21
Financial viability and management	Good governance in George	4	11,841	11,192	19,695	20,502	20,502	20,502	21,346	22,572	23,919
Revenue enhancement	Good governance in George	4	135,642	155,609	160,964	179,797	180,529	180,529	192,479	203,733	215,773
Credit Control	Good governance in George	4	–	–	–	–	–	–	–	–	–
Budget Formulation and control	Good governance in George	4	2,699	899	1,027	1,028	1,028	1,028	1,050	1,075	1,150
People Management and Empowerment	Good governance in George	4	1,294	1,083	1,432	650	941	941	500	500	500
Administrative Support	Good governance in George	4	2,394	1,696	2,725	2,179	2,758	2,758	3,292	2,792	2,842
Library Services	Deliver quality Services in George	1	1,310	1,888	2,626	5,892	11,475	11,475	10,139	8,578	9,098
Integrated Development Planning	Participate in George	5	521	169	229	–	–	–	–	–	–
Communication	Good governance in George	4	81	88	964	–	96	96	102	108	114
HIV/Aids	Keep George Safe & Green	3	3	–	–	–	–	–	–	–	–
Social Development	Keep George Safe & Green	3	69	929	1,313	1,306	3,009	3,009	1,438	1,120	1,198
Internal Audit and Risk Management	Good governance in George	4	26	4	5	–	–	–	–	–	–
Allocations to other priorities											
Total Revenue (excluding capital transfers and contributions)			932,980	1,054,225	1,514,557	1,275,334	1,369,784	1,369,784	1,458,358	1,542,535	1,642,038

Table 31 – SA5: Reconciliation between IDP strategic objectives and budgeted operating expenditure

Strategic Objective	Goal	Goal Code	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand											
Sanitation	Deliver quality Services in George	1	57,884	69,123	71,434	78,826	81,026	81,026	85,507	85,990	89,105
Water Services	Deliver quality Services in George	1	76,708	97,508	104,299	102,380	103,994	103,994	109,364	112,061	115,262
Roads Streets, Storm water drainage and Sidewalks	Deliver quality Services in George	1	93,296	113,327	139,947	140,348	139,924	139,924	97,326	95,442	95,569
Transport Planning & Traffic Engineering	Deliver quality Services in George	1	248	1,752	132,744	85,449	92,872	92,872	111,108	93,877	109,466
Electricity	Deliver quality Services in George	1	323,020	358,733	384,669	432,164	428,079	428,079	473,012	497,151	525,163
Housing	Deliver quality Services in George	1	80,702	56,427	44,499	41,962	55,973	55,973	74,979	78,584	68,623
Spatial Planning	Good governance in George	4	10,474	10,929	10,646	12,830	12,330	12,330	13,427	14,185	15,401
Property Development	Deliver quality Services in George	1	15,347	7,822	15,934	4,489	4,689	4,689	4,925	4,922	4,869
Public Safety and Law Enforcement	Deliver quality Services in George	1	43,663	44,309	87,600	49,543	81,336	81,336	90,375	93,407	97,254
Road Transport	Deliver quality Services in George	1	4,443	4,147	4,172	5,175	5,243	5,243	5,043	5,315	5,652
Environmental Health	Deliver quality Services in George	1	901	985	835	936	960	960	1,064	1,109	1,159
Public Amenities	Deliver quality Services in George	1	23,655	24,767	25,631	25,236	27,530	27,530	27,414	27,523	28,848
Waste Management	Deliver quality Services in George	1	44,475	50,052	50,000	52,025	54,340	54,340	55,979	59,196	62,174
Sport facilities and Development	Deliver quality Services in George	1	7,989	8,385	8,941	8,754	8,639	8,639	9,212	8,845	9,051
Local Economic Development	Grow George	2	1,695	1,506	1,921	2,242	2,354	2,354	2,425	2,451	2,595
Tourism	Grow George	2	1,992	2,223	2,655	2,820	2,920	2,920	3,164	3,358	3,561
Financial viability and management	Good governance in George	4	19,119	17,482	18,358	22,285	21,145	21,145	22,781	27,124	28,656
Revenue enhancement	Good governance in George	4	25,709	20,737	30,809	29,904	30,651	30,651	30,694	32,647	34,850
Credit Control	Good governance in George	4	2,139	2,338	2,500	2,688	2,688	2,688	3,320	3,479	3,702
Budget Formulation and control	Good governance in George	4	3,863	3,099	2,869	3,426	3,426	3,426	3,050	3,239	3,476
People Management and Empowerment	Good governance in George	4	8,473	9,118	11,922	11,617	12,438	12,438	13,809	14,725	15,695
Administrative Support	Good governance in George	4	67,357	66,481	80,743	69,302	72,516	72,516	87,813	96,298	113,487
Library Services	Deliver quality Services in George	1	7,079	7,473	8,350	8,794	8,794	8,794	9,457	9,872	10,610
Integrated Development Planning	Participate in George	5	1,443	1,323	1,680	1,233	1,398	1,398	1,502	1,696	1,775
Communication	Good governance in George	4	3,187	5,905	5,376	6,337	6,612	6,612	8,520	8,964	9,628
HIV/Aids	Keep George Safe & Green	3	909	701	724	785	785	785	803	832	876
Social Development	Keep George Safe & Green	3	5,536	5,706	6,232	7,282	8,984	8,984	7,209	7,226	7,646
Internal Audit and Risk Management	Good governance in George	4	6,692	7,483	7,601	7,164	7,344	7,344	7,265	6,871	6,530
Allocations to other priorities											
Total Expenditure			937,999	999,841	1,263,091	1,215,996	1,278,991	1,278,991	1,360,547	1,396,391	1,470,685

Table 32 – SA6: Reconciliation between IDP strategic objectives and budgeted capital expenditure

Strategic Objective	Goal	Goal Code	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand											
Sanitation	Deliver quality Services in George	A	30,172	37,089	48,463	41,407	56,842	56,842	36,172	46,627	54,209
Water Services	Deliver quality Services in George	B	21,487	30,686	10,791	22,808	7,707	7,707	34,567	63,616	53,734
Roads Streets, Storm water drainage and Sidewalks	Deliver quality Services in George	C	14,121	24,080	38,268	28,754	27,029	27,029	32,691	39,093	33,648
Transport Planning & Traffic Engineering	Deliver quality Services in George	D	–	–	191,817	62,885	72,104	72,104	62,014	90,974	78,880
Electricity	Deliver quality Services in George	E	35,613	17,865	19,970	44,190	34,539	34,539	31,090	27,428	25,596
Housing	Deliver quality Services in George	F	1,141	897	2,501	14,036	2,575	2,575	4,445	33,185	66,380
Spatial Planning	Good governance in George	G	–	–	–	–	–	–	–	–	–
Property Development	Deliver quality Services in George	H	–	–	–	–	–	–	–	–	–
Public Safety and Law Enforcement	Deliver quality Services in George	I	3,333	2,608	4,013	2,939	4,832	4,832	7,809	7,890	3,040
Road Transport	Deliver quality Services in George	J	–	–	–	294	293	293	170	559	–
Environmental Health	Deliver quality Services in George	K	–	–	–	–	–	–	–	–	–
Public Amenities	Deliver quality Services in George	L	2,020	933	602	4,024	3,803	3,803	2,918	3,295	1,325
Waste Management	Deliver quality Services in George	M	–	347	3,914	12,290	3,440	3,440	8,430	9,600	3,350
Sport facilities and Development	Deliver quality Services in George	N	1,512	4,350	18,548	5,140	6,735	6,735	4,941	5,364	5,697
Local Economic Development	Grow George	O	–	–	–	10	11	11	–	–	–
Tourism	Grow George	P	–	–	3,157	–	71	71	52	–	–
Financial viability and management	Good governance in George	Q	200	139	676	350	470	470	593	57	–
Revenue enhancement	Good governance in George	R	–	–	–	–	–	–	–	–	–
Credit Control	Good governance in George	S	–	–	–	–	–	–	–	–	–
Budget Formulation and control	Good governance in George	T	–	–	–	–	–	–	–	–	–
People Management and Empowerment	Good governance in George	U	–	–	–	–	–	–	–	–	–
Administrative Support	Good governance in George	V	91	573	2,805	9,711	10,052	10,052	10,627	6,065	5,385
Library Services	Deliver quality Services in George	W	5	345	671	3,380	3,419	3,419	2,050	–	–
Integrated Development Planning	Participate in George	X	–	–	–	–	–	–	–	–	–
Communication	Good governance in George	Y	–	–	–	–	–	–	–	–	–
HIV/Aids	Keep George Safe & Green	Z	–	–	–	–	–	–	–	–	–
Social Development	Keep George Safe & Green	AA	–	50	–	25	1,625	1,625	20	–	–
Internal Audit and Risk Management	Good governance in George	AB	–	–	–	–	–	–	–	–	–
Allocations to other priorities											
Total Capital Expenditure			109,695	119,961	346,197	252,243	235,547	235,547	238,588	333,752	331,244

2.5 – Measurable Performance Objectives (MPO'S) and Indicators

The MPO's included in the table below are only those that are linked to basic service delivery.

Tables 33 – SA7: Measurable Performance Objectives

Description	Unit of measurement	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Civil Engineering Services										
Sewerage										
Access to sewerage										
Households with access to sewerage	Percentage	98.0%	95.3%	97.8%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%
Water										
Access to water										
Households with access to water	Percentage	96.0%	95.0%	97.8%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%
Losses										
Limit water losses through network	Percentage	4.5%	18.6%	13.5%	<15%	<15%	<15%	<15%	<15%	<15%
Limit water losses through purification	Percentage	7.1%	7.7%	7.0%	<15%	<15%	<15%	<15%	<15%	<15%
Roads and Stormwater										
Eradication of backlogs										
Stormwater drainage to reduce backlogs	Percentage	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%
Electro-technical Services										
Electricity										
Access to and supply of electricity										
Informal households with access to electricity	Percentage	90.0%	44.0%	90.0%	96.0%	96.0%	96.0%	96.0%	96.0%	96.0%
New Informal households with supply of electricity	Percentage	90.0%	95.0%	0.0%	96.0%	96.0%	96.0%	96.0%	96.0%	96.0%
Losses										
Limit electricity losses	Percentage	7.1%	18.6%	13.5%	<10%	<10%	<10%	<10%	<10%	<10%
Community Services										
Waste Management										
Refuse removal										
Households refuse collected	Tons	23,229	29,746	31,000	31,300	31,300	31,300	31,500	32,000	33,000
Minimise waste i.t.o. Recycling	Tons	1,309	9,185	30,000	31,300	31,300	31,300	31,500	32,000	33,000
Financial Services										
Credit Control										
Households receiving free basic services										
Households receiving free basic water	Number	30,998	33,899	33,821	35,453	35,453	34,200	34,780	35,450	35,990
Households receiving free basic sanitation	Number	16,347	15,448	16,334	15,388	15,388	16,497	16,662	16,828	16,997
Households receiving free basic electricity	Number	33,281	15,448	16,334	15,388	15,388	16,497	16,662	16,828	16,997
Households receiving free basic refuse removal	Number	12,138	15,448	16,334	15,388	15,388	16,497	16,662	16,828	16,997
Human Settlement, Land Affairs and Planning										
Housing										
Building of Low cost houses										
Houses built	Number	961	156	21	500	500	500	500	1,245	500

1. Include a measurable performance objective for each revenue source (within a relevant function) and each vote (MFMA s17(3)(b))

2. Include all Basic Services performance targets from 'Basic Service Delivery' to ensure Table SA7 represents all strategic responsibilities

3. Only include prior year comparative information for individual measures where relevant activity occurred in that year/s

The key financial indicators and ratios are expressed in the table below:

Tables 34 – SA8: Financial Indicators and benchmarks

Description of financial indicator	Basis of calculation	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<u>Borrowing Management</u>										
Credit Rating		A2	A2	A2	A2	A2	A2			
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	9.4%	8.9%	7.0%	6.7%	6.3%	6.3%	6.1%	5.6%	5.2%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	12.2%	11.0%	9.6%	8.9%	8.4%	8.4%	7.9%	7.1%	6.6%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	0.0%	18.1%	21.4%	22.2%	22.2%	22.0%	41.8%	44.1%
<u>Safety of Capital</u>										
Gearing	Long Term Borrowing/ Funds & Reserves	658.1%	582.0%	601.6%	557.8%	461.5%	461.5%	582.3%	655.8%	756.1%
<u>Liquidity</u>										
Current Ratio	Current assets/current liabilities	2.5	2.3	2.3	2.5	2.4	2.4	3.1	3.5	3.3
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	2.5	2.3	2.3	2.5	2.4	2.4	3.1	3.5	3.3
Liquidity Ratio	Monetary Assets/Current Liabilities	1.0	1.0	1.0	1.5	1.4	1.4	1.8	2.1	1.9
<u>Revenue Management</u>										
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		96.0%	93.5%	93.5%	96.5%	96.4%	96.4%	90.7%	90.4%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		95.9%	93.6%	93.7%	96.5%	96.4%	96.4%	90.7%	90.4%	90.1%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	14.7%	17.6%	27.5%	11.3%	12.1%	12.1%	10.4%	10.3%	10.1%
<u>Creditors Management</u>										
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA' s 65(e))	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Creditors to Cash and Investments		42.2%	37.9%	30.1%	36.3%	36.9%	36.9%	25.3%	21.8%	23.1%
<u>Other Indicators</u>										
Electricity Distribution Losses (2)	Total Volume Losses (kW)	31,799	27,784	33,527						
	Total Cost of Losses (Rand '000)									
	% Volume (units purchased and generated less units sold)/units purchased and generated	7.1%	6.2%	7.4%	<10%	<10%	<10%	<10%	<10%	10.0%
Water Distribution Losses (2)	Total Volume Losses (kℓ)	452	1,894	1,359						
	Total Cost of Losses (Rand '000)									
	% Volume (units purchased and generated less units sold)/units purchased and generated	4.5%	18.6%	13.5%	<15%	<15%	<15%	<10%	<10%	10.0%
Employee costs	Employee costs/(Total Revenue - capital revenue)	28.6%	28.0%	25.8%	26.8%	26.5%	26.5%	25.9%	26.9%	28.1%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	30.2%	29.5%	27.1%	28.4%	28.0%	28.0%	27.3%	28.4%	29.6%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	6.1%	6.5%	5.4%	7.0%	6.9%	6.9%	6.8%	7.0%	7.0%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	18.7%	16.8%	13.4%	13.9%	13.3%	13.3%	12.4%	10.7%	9.7%
<u>IDP regulation financial viability indicators</u>										
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	14.7	13.6	16.1	16.1	16.1	16.1	16.2	16.3	17.1
ii.O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	19.2%	22.4%	41.3%	15.3%	17.2%	17.2%	14.7%	14.4%	14.1%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	3.7	4.2	4.6	5.5	5.2	5.2	4.7	4.9	4.4

2.6 – Overview of budget related policies

The municipality's budgeting process is guided and governed by relevant legislation, frameworks, strategies and related policies.

Section 17 (3) (e) of the Municipal Finance Management Act, (Act No 56 of 2003) prescribes that the Municipality must review the budget related policies annually. Herewith follows suggested changes to Council's budget related policies.

The budget committee considered amendments to various policies and the following budget related policies were reviewed:

1. Customer Care, Credit Control and Debt Collection Policy;
2. Property Rates Policy;
3. Tariff Policy,
4. Unauthorized, Irregular and Fruitless and Wasteful Expenditure Policy;
5. Indigent Policy;
6. Virement Policy;
7. Cash Management and Investment Policy;
8. Travel & Subsistence Policy;
9. Supply Chain Management Policy;
10. PPPFA Policy;
11. Asset Management Policy;
12. Funding Borrowing & Reserve Policy;
13. Long Term Financial Plan;
14. Liquidity Policy

The Budget Committee has indicated that the finalization of the draft policy changes will be finalized after the budget consultation process is completed. The draft policies are contained in the budget document and place on municipal website for public comment.

The following financial policies need to be reviewed in future:

1. Infrastructure Investment and capital projects including –
 - Planning and Approval of Capital projects – Ignite is busy drawing up this policy.
 - Policy on Developer Contributions – this is included in the tariff policy.
2. Unforeseen and Unavoidable expenditure
3. Policy dealing with Management and Oversight

Budget related policies are attached as Annexures.

2.6.1 – Review of current policies

2.6.1.1 – Review of Property Rates policy

The administration has re-worked the Property Rates Policy and suggests the following changes/additions to the policy:

The estimated increases in rates are 7%. Herewith some of the suggested changes to the Municipal Property Rates Policy:

- “4.5 “Guest House / Bed and Breakfast “means a property where 40% or more of the bedrooms are used or available to be used for providing accommodation for temporary visitors at a fee.
- 4.8 “Office bearer”- in relation to places of public worship, means the primary person who officiates at services at that place of worship.
- 4.9 “Official residence”, in relation to places of public worship, means:
- (a) a portion of the property used for residential purposes; or
 - (b) one residential property, if the residential property is not located on the same property as the place of public worship, registered in the name of a religious community or registered in the name of a trust established for the sole benefit of a religious community and used as a place of residence for the office bearer.
- 4.11 “Place of public worship” means property used primarily for the purposes of congregation, excluding a structure that is primarily used for educational instruction in which secular or religious education is the primary instructive medium:
- Provided that the property is—
- (a) registered in the name of the religious community;
 - (b) registered in the name of a trust established for the sole benefit of a religious community; or
 - (c) subject to a land tenure right.
- 4.12 “Property” means:
- (a) immovable property registered in the name of a person, including, in the case of a sectional title scheme, a sectional title unit registered in the name of a person;
 - (b) a right registered against immovable property in the name of a person, excluding a mortgage bond registered against the property;
 - (c) a land tenure right registered in the name of a person or granted to a person in terms of legislation; or
 - (d) public service infrastructure.
- 4.13 “Public service infrastructure” means publicly controlled infrastructure as described in the Act and also includes: runways, [or] aprons and the air traffic control unit at national or provincial airports, including the vacant land known as the obstacle free zone surrounding these, which must be vacant for air navigation purposes.

- 4.14 “Public service purposes” – in relation to the use of a property, means property owned and used by an organ of state as-
- hospitals or clinics
 - schools, pre-schools, early childhood development centres of further education and training colleges;
 - national and provincial libraries and archives ;
 - police stations;
 - correctional facilities; or
 - courts of law,

but excludes property contemplated in the definition of ‘public service infrastructure’.

- 4.19 “vacant property” means:
- (a) property on which no immovable improvements have been erected; or
 - (b) in the case of property on which immovable improvements are being constructed, where such property cannot be permanently occupied.”

2.6.1.2 – Review of Customer Care, Debt Collection and Credit Control

No major changes have been done.

2.6.1.3 – Indigent policy

Indigent Policy has been reviewed resulting in some minor changes.

“3.2 “Household income”

The collective gross monthly income (excluding disability grant and child support grant) to qualify for indigent support the household income cannot exceed the level as determined in Council’s tariff list during the budget process. The gross monthly income will be determined as the total monthly income of:

- the registered owner (s) and spouses, or
but will not include the income of any children of the owners.
- the occupier(s) and spouses of the property, or
but will not include the income of any children of the occupiers or backyard dwellers residing on the property.
- the backyard dweller(s) (maximum of two dwellers)
but will not include the income of any children of the owners, occupiers of backyard dwellers residing on the property.

- 5.5 Installation of the Smart and/or Split meters of indigent principle households can be converted at council’s expense and the cost thereof recovered from the equitable share grant.

11. Where a customer is reliant on medical equipment such as an oxygen concentrator, such customer will be allowed to exceed the maximum of 450 kWh electricity provided that the supportive medical documentation is produced.”

2.6.1.3 – Virement Policy

Changes are made to the Virement requirements and restrictions.

- P8

2.6.1.4 – Supply Chain Management Policy

Changes are made to be fully compliant with the deviation process.

- Pages 137, P138

2.6.1.5 – PPPFA

No changes to policy.

2.6.1.6 – Cash and Investment Policy

Changes are made to be in line with the new staff structure.

- Pages 13, 17, 21, 35, 37

2.6.1.7 – Funding, Borrowing and Reserve Policy

All changes to this policy are done to incorporate the Long Term Financial Plan. Changes are made to the following pages.

- Pages 4, 9 , 10, 16, 19, 20, 21, 22

2.6.1.8 – Asset Management Policy

Changes:

- The inclusion of Heritage Assets accordingly to GRAP (Generally Recognized Accounting Practice).

2.6.1.9 – Liquidity Policy

This is a new policy necessary for the Long Term Financial Plan.

2.6.1.10 – Tariff Policy

Capital Contributions:

The proposed increases in capital contributions are as follows:

- | | | |
|------------------------|---|----|
| ➤ Electricity | : | 6% |
| ➤ Public Open Space | : | 6% |
| ➤ Water | : | 6% |
| ➤ Refuse | : | 6% |
| ➤ Sewerage | : | 6% |
| ➤ Uniondale en Haarlem | : | 6% |

2.7 – Budget Assumptions

Budgets are prepared in an environment of uncertainty. To prepare meaningful budgets, assumptions need to be made about internal and external factors that could influence the budget. Documentation of the assumptions used in preparing the budget assists understanding of the information. This section provides a comprehensive summary of all the assumptions used in preparing the budget.

2.7.1 – National Treasury MFMA Circular No 74 & 75

These Circulars was issued on 12 December 2014 and 09 March 2015 respectively, and it provides further guidance to municipalities for the preparation of the 2015/16 budget and MTREF and was used in preparing this budget. A copy of the Circulars is attached as an Annexure to this document.

2.7.2 – Inflation Outlook

In MFMA Circular No 75, inflation forecasts are estimated at 4.8%, 5.9% and 5.6% respectively for the years 2016 to 2018.

2.7.3 – Rates, tariffs, charges and timing of revenue collection

The Budget Committee made use of tariff modelling to calculate realistic tariff increases. Although the budget committee endeavoured to contain the increase within the 6% upper boundary of the South African Reserve Bank's inflation target, the model indicated that this was not possible. In order to have a funded budget the following tariff increases are recommended for the 2015/2016 financial year:

	Base Budget 2014/15	Draft Budget 2015/16	Budget 2016/17	Budget 2017/18
Rates	11.53%	7%	6%	6%
Tariffs : Water	8%	7%	6%	6%
Sewerage	8%	7%	6%	6%
Electricity	7.39%	11.8%	6%	6%
Cleansing	9%	9%	6%	6%
General Charges	7%	6%	6%	6%

The cash flow statement shows when rates and tariffs are expected to be collected over the financial year. In general terms, the timing of rates, tariffs and charges is based on the following;

Rates	Monthly billing. Interim billing throughout the year.
Tariffs	Monthly billing. On-going prepayment meters. Seasonal fluctuations.
Charges	Generally steady state throughout the financial year with seasonal fluctuations.

2.7.4 – Collection rates for each revenue source and customer type

The following bad debt provisions and collection rates are assumed in the MTREF for rates and tariffs.

	2015/16	2016/17	2017/18
Provision for bad and doubtful debts	R19.2m	R20.3m	R21.6m
Assumed collection rate	96%	96%	96%

2.7.5 – Price movements on specifics e.g. bulk purchases

The following amounts are included in the MTREF for increases in bulk purchases;

	2015/16	2016/17	2017/18
ESKOM	R363m	R385m	R408m

2.7.6 – Average salary increases

The MTREF includes the following average percentage increases for wages and salary and for councillors' allowances;

	2015/16	2016/17	2017/18
Councillors	6%	6%	6%
Staff	7%	7%	7%

2.7.7 – Industrial relations climate, reorganisation and capacity building

The ability of the Municipality to deliver quality services is virtually entirely dependent on its staff. Failure by the Municipality to invest in its staff to ensure that the capacity and skills exist to meet the challenges being faced by George will ultimately mean a failure to deliver services.

The Municipality has made the following amounts available for training over the MTREF period.

	2015/16	2016/17	2017/18
Training Budget	R690 000	R725 000	R768 000

2.7.8 – Trends in demand for free or subsidised basic services

George's criteria for supporting free or subsidised basic services are set out in the Indigent Policy. The Government allocates revenue via the Equitable Share grant with the primary aim of assisting municipalities with the costs of providing free or subsidised basic services. Any costs over and above the Equitable Share allocation must be paid by the consumer.

The proposed allocation to Indigent households will have the following financial consequences:

<u>DORA : EQUITABLE SHARE ALLOCATION</u>	2015/16 (R)	2016/17 (R)	2017/18 (R)
DMA allocation	13,712,317	14,189,176	15,014,498
Indigent Support to be granted	85,502,683	94,513,824	104,477,502
Water leakages	530,000	562,000	596,000
Elec Prepaid Meters	530,000	562,000	596,000
Sewerage blockages	318,000	337,000	357,000
Audit & Social Assessment	100,000	100,000	100,000
Total gazetted amount	100,693,000	110,264,000	121,141,000

The proposed package of free basic services allocated to the indigents consists of the following:

Description	2014/15 (R)	2015/16 (R)
Electricity (70 units)	65,17	72,86
Water (basic charge)	63,45	67,84
Sanitation (basic charge)	151,79	162,42
Refuse (basic charge)	121,25	132,16
Total	R401,66	R435,28

2.7.9 – Ability of the municipality to spend and deliver on the programmes

By end February 2015, the Municipality has spent R83 million out of an adjusted capital budget of R235.5 million, equating to 35% of the total budget. Against the original budget of R252 million the spending is 33%.

Spending is monitored closely throughout the year and Directors must ensure that capital programmes are supported by robust planning. The Municipality is currently reviewing its capital planning processes and will soon implement the capital rating and ranking programme of Ignite Advisory Service.

The SDBIP includes monthly cash flows of expenditure and is used as the basis for budget monitoring. Monthly Section 71 meetings with portfolio councillor, municipal manager, directors and the budget office also forms part of the monitoring tool and directorates must give reasons for poor performance and over spending and put corrective measures in place.

2.7.10 – Capital Budget

It was firstly proposed that the capital budget be capped for CRR funded capital projects at R50 million and that full provision be made for grant funded projects as gazetted in the Division of Revenue Act.

The budget steering committee finally decided that the capital budget be capped for CRR funded capital projects at R75.526 million and full provision will be made for grant funded projects as gazetted in the Division of Revenue Act.

External funding will be utilised for the acquisition of fleet and also for the purchasing of generators.

2.7.11 – Implications of restructuring and other major events in the future

Council approved a new organisational structure in 2012 which reduced the number of directorates from eight to seven. Community Safety was combined with Environmental Affairs to establish the new directorate namely Community Services. Minor changes to the micro structure were also made. These changes were made to streamline service delivery and to affect savings.

Council is currently busy with an investigation into the functionality of the organogram. Work Dynamics has been appointed to do the investigation and it is currently in the final stage.

2.7.12 – Budgeting for contingency plans for prolonged power outages

This Municipality is in the process of implementing contingency plans to address Eskom power outages such as the procurement of generators.

However it has been established that the government is collectively working with Eskom to mitigate the impact of power cuts. These efforts will improve the availability of electricity over the medium term, and plans are under way to ensure that South Africa can generate sufficient energy to power its economy over the long term. The government consistently encourages a reduction in energy consumption and promotion of energy efficiency.

Consequently the response from government is to address the immediate challenge and it would therefore be premature for municipalities to invest in contingency infrastructure with the expectation of funding. However this municipality has provided R7m within the budget for the procurement of generators in mitigation of our water works so as to ensure that our water reserve capacity is kept at acceptable level at all times.

2.7.13 – Service level standards

MFMA circular No. 72 indicated that all municipalities must formulate service level standards which must form part of the 2015/16 tabled MTREF budget documentation.

A broad guideline was provided on the minimum service standards to be incorporated in the budget documentation. In addition to the guideline, a framework was developed as an outline to assist municipalities in finalising their service level standards.

It is accepted that it is not possible to have the same service level standards across all municipalities. Therefore the outline must be used as a guideline and be amended accordingly to align to the municipality's specific circumstances.

The service level standards will be tabled before council for formal adoption with the final budget.

2.8 – Other Supporting documents

2.8.1 Investment Particulars by Type

Table 35 – SA15: Investment Particulars by Type

Investment type	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand										
Parent municipality										
Securities - National Government		-	-	-	-	-	-	-	-	-
Listed Corporate Bonds		-	-	-	-	-	-	-	-	-
Deposits - Bank		-	-	-	-	-	-	-	-	-
Deposits - Public Investment Commissioners		-	-	-	-	-	-	-	-	-
Deposits - Corporation for Public Deposits		-	-	-	-	-	-	-	-	-
Bankers Acceptance Certificates		-	-	-	-	-	-	-	-	-
Negotiable Certificates of Deposit - Banks		-	-	-	-	-	-	-	-	-
Guaranteed Endowment Policies (sinking)		-	-	-	-	-	-	-	-	-
Repurchase Agreements - Banks		-	-	-	-	-	-	-	-	-
Municipal Bonds		-	-	-	-	-	-	-	-	-
Municipality sub-total	1	-	-	-	-	-	-	-	-	-
Entities										
Securities - National Government		-	-	-	-	-	-	-	-	-
Listed Corporate Bonds		-	-	-	-	-	-	-	-	-
Deposits - Bank		-	-	-	-	-	-	-	-	-
Deposits - Public Investment Commissioners		-	-	-	-	-	-	-	-	-
Deposits - Corporation for Public Deposits		-	-	-	-	-	-	-	-	-
Bankers Acceptance Certificates		-	-	-	-	-	-	-	-	-
Negotiable Certificates of Deposit - Banks		-	-	-	-	-	-	-	-	-
Guaranteed Endowment Policies (sinking)		-	-	-	-	-	-	-	-	-
Repurchase Agreements - Banks		-	-	-	-	-	-	-	-	-
Entities sub-total		-	-	-	-	-	-	-	-	-
Consolidated total:		-	-	-	-	-	-	-	-	-

References

1. Total investments must reconcile to Budgeted Financial Position ('current' call investment deposits plus 'non-current' investments)

The municipality does not have any investment.

2.8.2 Borrowings

Table 36 – SA17: Borrowing

Borrowing - Categorized by type R thousand	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Parent municipality										
Long-Term Loans (annuity/reducing balance)		487,034	450,070	409,587	369,104	369,104	369,104	413,127	473,318	535,730
Long-Term Loans (non-annuity)		-	-	-	-	-	-	-	-	-
Local registered stock		-	-	-	-	-	-	-	-	-
Instalment Credit		-	-	-	-	-	-	-	-	-
Financial Leases		-	-	8,462	31,653	31,653	31,653	14,250	12,825	5,860
PPP liabilities		-	-	-	-	-	-	-	-	-
Finance Granted By Cap Equipment Supplier		-	-	-	-	-	-	-	-	-
Marketable Bonds		-	-	-	-	-	-	-	-	-
Non-Marketable Bonds		-	-	-	-	-	-	-	-	-
Bankers Acceptances		-	-	-	-	-	-	-	-	-
Financial derivatives		-	-	-	-	-	-	-	-	-
Other Securities		-	-	-	-	-	-	-	-	-
Total Borrowing	1	487,034	450,070	418,049	400,757	400,757	400,757	427,377	486,143	541,590

References

1. Total borrowing must reconcile to Budgeted Financial Position (Borrowing - non-current)

2.8.3 Grants and subsidies

Table 37 – SA18: Transfers and grants receipt

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand										
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		77,276	89,201	190,530	162,555	154,409	154,409	164,190	129,480	141,705
Local Government Equitable Share		72,201	80,370	85,716	92,397	92,397	92,397	100,693	110,264	121,141
Finance Management		1,064	1,250	1,300	1,450	1,450	1,450	1,450	1,475	1,550
Municipal Systems Improvement		790	800	890	934	934	934	930	957	1,033
EPWP Incentive		1,551	2,960	3,285	2,933	2,933	2,933	1,864		
EPWP Plant Duty			217	361						
Energy Efficiency and Demand Management				5,000						
Infrastructure Skills Development Grant			1,402	2,909	2,495	2,852	2,852	3,000	3,000	3,500
Municipal Infrastructure Grant - PMU	1,670		2,202	1,681	1,897	1,897	1,897	1,942	2,015	2,124
Public Transport Network Operating Grant				89,389	60,449	51,946	51,946	54,311	11,769	12,357
Municipal Drought Relief Grant										
Provincial Government:		79,404	78,115	40,010	55,646	69,372	69,372	109,334	137,265	140,781
Housing		68,524	38,947	17,266	14,964	28,193	28,193	45,480	48,000	36,000
Proclaimed Roads		175	23,415	14,529	8,186	8,186	8,186	361	–	–
Public Transport Infrastructure			2,000							
Local Government Masterplanning Grant			396	396	600	600	600	600	600	600
Library Grant	1,240		1,195	1,221	6,587	6,587	6,587	7,473	7,921	8,397
Community Development Workers Operating Grant		206	162	98	88	88	88	90	95	99
Cleanest Town Competition	60									
Greenest Town Competition										
Integrated Public Transport Grant	9,000		10,833	5,000	25,000	25,000	25,000	55,230	80,544	95,544
Khulani Woman's Project										
Financial Management Support Grant	200		200	400		500	500			
Thusong Services Centres Grant			109		221	218	218	100	105	141
Financial Management Support Grant (Government Support)				1,100						
Haarlem Sidewalk Project										
Flood Damage - Housing			859							
Swimming Pool Grant - Heather Park										
Provincial Contribution towards the Acceleration of Housing Delivery										
District Municipality:		–	–	1,448	–	–	–	–	–	–
Storm Water Master Planning Grant										
Flood Damage				1,448	–					
Other grant providers:		3,545	7,912	19,761	24,783	15,135	15,135	500	500	500
DWAF		2,253	3,232	1,440						
Refuse Transfer Station										
LGSETA	1,292		1,083	614	650	650	650	500	500	500
SANRAL - N2/York Street bridge widening		–	3,597	17,707	24,133	14,485	14,485			
Storm Water Master Planning (DBSA)										
Total Operating Transfers and Grants	5	160,225	175,228	251,749	242,984	238,916	238,916	274,024	267,245	282,986
Capital Transfers and Grants										
National Government:		46,663	51,051	212,134	107,259	124,126	124,126	105,904	137,251	124,237
Municipal Infrastructure Grant (MIG)		34,639	40,283	31,413	36,049	44,770	44,770	36,890	38,277	40,357
Regional Bulk Infrastructure		5,499								
Integrated National Electrification Programme	5,349		8,400	5,000	8,900	8,900	8,900	7,000	8,000	5,000
Infrastructure Skills Development			1,337	91	505	148	148			
Expanded Public Works Programme	990		1,031							
Public Transport Infrastructure Grant	–			175,630	61,805	70,308	70,308	62,014	90,974	78,880
Finance Management	186									
Municipal Drought Relief Grant										
Electricity Demand Side Grant										
Provincial Government:		13,867	33,523	61,162	17,125	20,164	20,164	17,050	33,850	70,000
Housing	4,867		11,355	35,780	11,863	14,902	14,902	15,000	33,850	70,000
Contribution towards acceleration of housing delivery			20,500	7,500						
Mobility Strategy	2,000									
Khulani Woman's Project										
Library Grant			168	381	3,762	3,762	3,762	2,050	–	–
George Integrated Public Transport Network	7,000		1,500	17,500	1,500	1,500	1,500			
Other capital transfers/grants [insert description]										
District Municipality:		–	–	–	6,000	5,841	5,841	2,826	–	–
Flood damage					6,000	5,841	5,841	2,826	–	–
Other grant providers:		29	1,449	1,466	500	500	500	–	–	–
SWD Cricket	29									
Youth Development against Violence through Sport			449	1,466						
National Lotteries Board			1,000		500	500	500			
Total Capital Transfers and Grants	5	60,559	86,024	274,762	130,884	150,631	150,631	125,780	171,101	194,237
TOTAL RECEIPTS OF TRANSFERS & GRANTS		220,784	261,252	526,511	373,868	389,547	389,547	399,804	438,346	477,223

Table 38 – SA19: Expenditure on transfers and grants

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand										
EXPENDITURE:	1									
<u>Operating expenditure of Transfers and Grants</u>		82,227	89,819	187,036	162,555	154,791	154,791	164,190	129,480	141,705
Local Government Equitable Share		72,201	80,370	85,716	92,397	92,397	92,397	100,693	110,264	121,141
Finance Management		2,676	1,250	1,300	1,450	1,450	1,450	1,450	1,475	1,550
Municipal Systems Improvement		1,227	800	890	934	934	934	930	957	1,033
EPWP Incentive		933	3,577	3,285	2,933	2,933	2,933	1,864	–	–
EPWP Piont Duty		–	217	361	–	–	–	–	–	–
Energy Efficiency and Demand Management		3,520	–	1,888	–	–	–	–	–	–
Infrastructure Skills Development Grant		–	1,402	2,527	2,495	3,234	3,234	3,000	3,000	3,500
Municipal Infrastructure Grant - PMU		1,670	2,202	1,681	1,897	1,897	1,897	1,942	2,015	2,124
Public Transport Network Operating Grant		–	–	89,389	60,449	51,946	51,946	54,311	11,769	12,357
Municipal Drought Relief Grant		68,323	54,253	41,558	55,646	80,099	80,099	109,334	137,265	140,781
Housing		65,873	39,187	15,936	14,964	23,639	23,639	45,480	48,000	36,000
Proclaimed Roads		175	10,212	18,084	8,186	17,834	17,834	361	–	–
Public Transport Infrastructure		–	120	1,880	–	–	–	–	–	–
Local Government Masterplanning Grant		–	396	396	600	600	600	600	600	600
Library Grant		1,131	1,217	1,387	6,587	6,587	6,587	7,473	7,921	8,397
Community Development Workers Operating Grant		122	74	151	88	207	207	90	95	99
Cleanest Town Competition		60	64	31	–	–	–	–	–	–
Greenest Town Competition		–	–	–	–	–	–	–	–	–
Integrated Pubic Transport Grant		–	1,752	2,708	25,000	30,000	30,000	55,230	80,544	95,544
Khulani Woman's Project		–	80	–	–	–	–	–	–	–
Financial Management Support Grant		39	361	176	–	724	724	–	–	–
Thusong Services Centres Grant		–	109	–	221	218	218	100	105	141
Financial Management Support Grant (Government Support)		–	–	809	–	291	291	–	–	–
Haarlem Sidewalk Project		–	–	–	–	–	–	–	–	–
Housing Consumer Education		–	–	–	–	–	–	–	–	–
Spatial Development Framework		262	–	–	–	–	–	–	–	–
Flood Damage - Housing		515	681	–	–	–	–	–	–	–
Swimming Pool Grant - Heather Park		147	–	–	–	–	–	–	–	–
Provincial Contribution towards the Acceleration of Housing Delivery		–	–	–	–	–	–	–	–	–
Provincial Contribution towards the Acceleration of Housing Delivery		197	–	1,448	–	–	–	–	–	–
Storm Water Master Planning Grant		197	–	–	–	–	–	–	–	–
Flood Damage		–	–	1,448	–	–	–	–	–	–
Flood Damage		3,491	8,435	20,073	24,783	13,998	13,998	500	500	500
DWAF		2,199	3,130	1,038	–	–	–	–	–	–
Refuse Transfer Station		–	202	–	–	–	–	–	–	–
LGSETA		1,292	1,083	614	650	650	650	500	500	500
SANRAL - N2/York Street bridge widening		–	4,020	18,420	24,133	13,348	13,348	–	–	–
Total operating expenditure of Transfers and Grants:		154,239	152,506	250,116	242,984	248,888	248,888	274,024	267,245	282,986
<u>Capital expenditure of Transfers and Grants</u>		45,442	43,684	218,098	118,649	123,461	123,461	116,725	137,251	124,237
Capital Transfers and Grants		37,434	38,725	31,413	36,049	44,770	44,770	36,890	38,277	40,357
Municipal Infrastructure Grant (MIG)		180	–	–	11,390	570	570	10,820	–	–
Regional Bulk Infrastructure		6,652	2,852	9,468	8,900	8,900	8,900	7,000	8,000	5,000
Infrastructure Skills Development		–	1,076	352	505	148	148	–	–	–
Expanded Public Works Programme		990	1,031	–	–	–	–	–	–	–
Public Transport Infrastructure Grant		–	–	176,865	61,805	69,073	69,073	62,014	90,974	78,880
Municipal Drought Relief Grant		–	–	–	–	–	–	–	–	–
Municipal Infrastructure Disaster Grant		–	–	–	–	–	–	–	–	–
Electricity Demand Side Grant		–	–	–	–	–	–	–	–	–
Finance Management		186	–	–	–	–	–	–	–	–
Electricity Demand Side Grant		12,040	40,460	55,239	17,125	28,031	28,031	17,050	33,850	70,000
Housing		4,867	11,355	35,780	11,863	14,902	14,902	15,000	33,850	70,000
Contribution towards acceleration of housing delivery		–	18,588	4,002	–	5,410	5,410	–	–	–
Mobility Strategy		7,173	1,881	–	–	–	–	–	–	–
Khulani Woman's Project		–	–	–	–	–	–	–	–	–
Library Grant		–	168	381	3,762	3,762	3,762	2,050	–	–
George Integrated Public Transport Network		–	8,468	15,075	1,500	3,957	3,957	–	–	–
Other capital transfers/grants [insert description]		–	–	–	6,000	5,841	5,841	2,826	–	–
Flood Damage		–	–	–	6,000	5,841	5,841	2,826	–	–
0		29	2,741	4,637	500	(3,963)	(3,963)	–	–	–
SWD Cricket		29	–	–	–	–	–	–	–	–
Youth Development against Violence though Sport		–	2,079	4,038	–	(4,201)	(4,201)	–	–	–
National Lotteries Board		–	663	599	500	238	238	–	–	–
Total capital expenditure of Transfers and Grants		57,511	86,885	277,974	142,274	153,370	153,370	136,601	171,101	194,237
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		211,750	239,392	528,090	385,258	402,258	402,258	410,624	438,346	477,223

Table 39 – SA20: Reconciliation of transfers, grants receipts and unspent funds

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Forecasts		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand										
Operating transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		2,457	(2,494)	(3,112)	–	382	382	–	–	–
Current year receipts		77,276	89,201	190,530	162,555	154,409	154,409	164,190	129,480	141,705
Conditions met - transferred to revenue		82,227	89,819	187,036	162,555	154,791	154,791	164,190	129,480	141,705
Conditions still to be met - transferred to liabilities		(2,494)	(3,112)	382	–	–	–	–	–	–
Provincial Government:										
Balance unspent at beginning of the year		(7,375)	3,785	27,648	–	10,727	10,727	–	–	–
Current year receipts		79,404	78,115	40,010	55,646	69,372	69,372	109,334	137,265	140,781
Conditions met - transferred to revenue		68,323	54,253	41,558	55,646	80,099	80,099	109,334	137,265	140,781
Conditions still to be met - transferred to liabilities		3,706	27,648	26,099	–	–	–	–	–	–
District Municipality:										
Balance unspent at beginning of the year		–	202	–	–	–	–	–	–	–
Current year receipts		–	–	1,448	–	–	–	–	–	–
Conditions met - transferred to revenue		–	202	1,448	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Other grant providers:										
Balance unspent at beginning of the year		(361)	(504)	(825)	–	(1,137)	(1,137)	–	–	–
Current year receipts		3,545	7,912	19,761	24,783	15,135	15,135	500	500	500
Conditions met - transferred to revenue		3,688	8,233	20,073	24,783	13,998	13,998	500	500	500
Conditions still to be met - transferred to liabilities		(504)	(825)	(1,137)	–	–	–	–	–	–
Total operating transfers and grants revenue		154,239	152,506	250,116	242,984	248,888	248,888	274,024	267,245	282,986
Total operating transfers and grants - CTBM	2	708	23,711	25,345	–	–	–	–	–	–
Capital transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		7,532	8,752	16,120	11,390	10,156	10,156	10,820	–	–
Current year receipts		46,663	51,051	212,134	107,259	124,126	124,126	105,904	137,251	124,237
Conditions met - transferred to revenue		45,442	43,684	218,098	118,649	123,461	123,461	116,725	137,251	124,237
Conditions still to be met - transferred to liabilities		8,752	16,120	10,156	–	10,820	10,820	–	–	–
Provincial Government:										
Balance unspent at beginning of the year		7,133	8,881	1,944	–	7,867	7,867	–	–	–
Current year receipts		13,867	33,523	61,162	17,125	20,164	20,164	17,050	33,850	70,000
Conditions met - transferred to revenue		12,040	40,460	55,239	17,125	28,031	28,031	17,050	33,850	70,000
Conditions still to be met - transferred to liabilities		8,960	1,944	7,867	–	–	–	–	–	–
District Municipality:										
Balance unspent at beginning of the year		402	200	200	–	–	–	–	–	–
Current year receipts		–	–	–	6,000	5,841	5,841	2,826	–	–
Conditions met - transferred to revenue		–	–	–	6,000	5,841	5,841	2,826	–	–
Conditions still to be met - transferred to liabilities		402	200	200	–	–	–	–	–	–
Other grant providers:										
Balance unspent at beginning of the year		–	–	(1,292)	–	(4,463)	(4,463)	–	–	–
Current year receipts		29	1,449	1,466	500	500	500	–	–	–
Conditions met - transferred to revenue		29	2,741	4,637	500	(3,963)	(3,963)	–	–	–
Conditions still to be met - transferred to liabilities		–	(1,292)	(4,463)	–	–	–	–	–	–
Total capital transfers and grants revenue		57,511	86,885	277,974	142,274	153,370	153,370	136,601	171,101	194,237
Total capital transfers and grants - CTBM	2	18,115	16,972	13,759	–	10,820	10,820	–	–	–
TOTAL TRANSFERS AND GRANTS REVENUE		211,750	239,392	528,090	385,258	402,258	402,258	410,624	438,346	477,223
TOTAL TRANSFERS AND GRANTS - CTBM		18,823	40,683	39,104	–	10,820	10,820	–	–	–

2.8.4 Councillors and employee benefits

The total remuneration has increased from R338 798 million to R361 047 million. The increase of R22 249 million can be contributed to:

- Salary increase of 7% for employees and 6% for councillors,
- Provision for temporary staff members and piece workers of R25 million;
- Overtime of R15.3 thousand; and
- An amount of R6 million has been allocated to the structure vote in the Council and General Section for new vacant posts.

Table 40 – SA22: Summary of councillor and staff benefits

Summary of Employee and Councillor remuneration	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand		A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)	1									
Basic Salaries and Wages		9,158	9,534	10,065	12,288	12,288	12,288	13,026	13,807	14,635
Pension and UIF Contributions		685	764	734	781	781	781	828	877	930
Medical Aid Contributions		108	161	215	144	144	144	153	162	172
Motor Vehicle Allowance		3,232	3,393	3,534	4,096	4,096	4,096	4,342	4,602	4,879
Cellphone Allowance		684	696	1,020	830	830	830	879	932	988
Housing Allowances		–	–	–	–	–	–	–	–	–
Other benefits and allowances		–	–	–	–	–	–	–	–	–
Sub Total - Councillors		13,868	14,548	15,568	18,139	18,139	18,139	19,227	20,381	21,604
% increase	4		4.9%	7.0%	16.5%	–	–	6.0%	6.0%	6.0%
Senior Managers of the Municipality	2									
Basic Salaries and Wages		4,145	8,273	9,053	10,896	10,896	10,896	11,550	12,243	12,978
Performance Bonus		587	325	–	–	–	–	–	–	–
Sub Total - Senior Managers of Municipality		4,732	8,598	9,053	10,896	10,896	10,896	11,550	12,243	12,978
% increase	4		81.7%	5.3%	20.4%	–	–	6.0%	6.0%	6.0%
Other Municipal Staff										
Basic Salaries and Wages		138,333	154,167	178,921	192,994	201,679	201,679	224,292	243,260	271,725
Pension and UIF Contributions		23,710	25,633	30,350	34,664	34,811	34,811	33,688	36,046	38,542
Medical Aid Contributions		9,840	10,539	12,477	19,301	19,301	19,301	20,652	21,959	23,496
Overtime		16,666	18,148	24,240	15,278	18,241	18,241	15,345	16,397	5,496
Performance Bonus		–	–	–	–	–	–	–	–	–
Motor Vehicle Allowance	3	8,622	10,482	11,295	12,378	12,779	12,779	12,150	13,001	13,911
Cellphone Allowance	3	631	721	844	735	738	738	784	839	898
Housing Allowances	3	1,328	1,255	1,135	1,066	1,066	1,066	1,062	1,136	1,216
Other benefits and allowances	3	10,647	6,296	6,122	2,849	3,079	3,079	2,854	2,844	15,184
Payments in lieu of leave		14,661	15,840	15,921	16,780	16,780	16,780	17,468	18,674	19,982
Long service awards		796	1,006	1,676	1,288	1,288	1,288	1,975	2,303	1,986
Post-retirement benefit obligations	6	18,919	16,648	19,804	–	–	–	–	–	–
Sub Total - Other Municipal Staff		244,151	260,735	302,786	297,334	309,763	309,763	330,270	356,460	392,437
% increase	4		6.8%	16.1%	(1.8%)	4.2%	–	6.6%	7.9%	10.1%
TOTAL SALARY, ALLOWANCES & BENEFITS		262,751	283,880	327,407	326,369	338,798	338,798	361,047	389,084	427,018
% increase	4		8.0%	15.3%	(0.3%)	3.8%	–	6.6%	7.8%	9.7%
TOTAL MANAGERS AND STAFF	5,7	248,883	269,333	311,839	308,230	320,660	320,660	341,820	368,703	405,414

References

1. Include 'Loans and advances' where applicable if any reportable amounts until phased compliance with s164 of MFMA achieved
2. s57 of the Systems Act
3. In kind benefits (e.g. provision of living quarters) must be shown as the cost (full market value) to the municipality, as part of the relevant allowance
4. B/A, C/B, D/C, E/C, F/C, G/D, H/D, I/D
5. Must agree to the sub-total appearing on Table A1 (Employee costs)
6. Includes pension payments and employer contributions to medical aid
7. Correct as at 30 June

Column Definitions:

- A, B and C. Audited actual as per the audited financial statements. If audited amounts are unavailable, unaudited amounts must be provided with a note stating these are unaudited
- D. The original budget approved by council for the budget year.
- E. The budget for the budget year as adjusted by council resolution in terms of section 28 of the MFMA.
- F. An estimate of final actual amounts (pre audit) for the current year at the point in time of preparing the budget for the budget year. This may differ from E.
- G. The amount to be appropriated for the budget year.
- H and I. The indicative projection

Table 41 – SA23: Salaries, allowances and benefits (political office bearers/councillors and senior managers)

Disclosure of Salaries, Allowances & Benefits 1.	Ref	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum				1.				2.
Councillors	3							
Speaker	4	1	488,073	–	144,138			632,211
Chief Whip		1	488,073	–	144,138			632,211
Executive Mayor		1	610,093	–	174,643			784,736
Deputy Executive Mayor		1	488,073	–	144,138			632,211
Executive Committee		10	4,118,119	–	1,228,610			5,346,730
Total for all other councillors		35	6,833,035	980,479	3,385,488			11,199,001
Total Councillors	8	49	13,025,464	980,479	5,221,157			19,227,100
Senior Managers of the Municipality	5							
Municipal Manager (MM)			1,917,900	–	–	–		1,917,900
Chief Finance Officer			1,675,200	–	–	–		1,675,200
Director: Corporate Services			1,591,400	–	–	–		1,591,400
Director: Civil Engineering			1,591,400	–	–	–		1,591,400
Director: Human Settlements, land affairs and planning			1,591,400	–	–	–		1,591,400
Director: Electrotechnical Services			1,591,400	–	–	–		1,591,400
Director: Community Services			1,591,400	–	–	–		1,591,400
Total Senior Managers of the Municipality	8,10	–	11,550,100	–	–	–		11,550,100
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	10	49	24,575,564	980,479	5,221,157	–		30,777,200

References

1. Pension and medical aid
2. Total package must equal the total cost to the municipality
3. List each political office bearer by designation. Provide a total for all other councillors
4. Political office bearer is defined in MFMA s 1: speaker, executive mayor, deputy executive mayor, member of executive committee, mayor, deputy mayor, member of mayoral committee, the councillor designated to exercise powers and duties of mayor (MSA s 57)
5. Also list each senior manager reporting to MM by designation and each official with package >= senior manager by designation
6. List each entity where municipality has an interest and state percentage ownership and control
7. List each senior manager reporting to the CEO of an Entity by designation
8. Must reconcile to relevant section of Table SA24
9. Must reconcile to totals shown for the budget year of Table SA22
10. Correct as at 30 June

Table 42 – SA24: Summary of personnel numbers

Summary of Personnel Numbers	Ref	2013/14			Current Year 2014/15			Budget Year 2015/16		
Number	1,2	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities										
Councillors (Political Office Bearers plus Other Councillors)		49	–	49	49	–	49	49	–	49
Board Members of municipal entities	4	–	–	–	–	–	–	–	–	–
Municipal employees	5	–	–	–	–	–	–	–	–	–
Municipal Manager and Senior Managers	3	7	–	7	7	–	6	7	–	6
Other Managers	7	–	–	–	–	–	–	–	–	–
Professionals		66	57	–	68	60	–	64	63	–
<i>Finance</i>		9	7	–	9	7	–	9	8	–
<i>Spatial/town planning</i>		8	7	–	8	6	–	8	8	–
<i>Information Technology</i>		2	1	–	4	3	–	4	4	–
<i>Roads</i>		–	–	–	–	–	–	–	–	–
<i>Electricity</i>		5	5	–	5	5	–	5	5	–
<i>Water</i>		2	2	–	2	2	–	2	2	–
<i>Sanitation</i>		4	4	–	4	4	–	4	4	–
<i>Refuse</i>		1	1	–	1	1	–	1	1	–
<i>Other</i>		35	30	–	35	32	–	31	31	–
Technicians		201	181	–	204	173	–	186	186	–
<i>Finance</i>		35	30	–	35	30	–	30	30	–
<i>Spatial/town planning</i>		31	28	–	31	28	–	26	26	–
<i>Information Technology</i>		3	3	–	3	3	–	3	3	–
<i>Roads</i>		5	4	–	5	4	–	5	5	–
<i>Electricity</i>		23	21	–	23	21	–	21	21	–
<i>Water</i>		25	22	–	25	20	–	22	22	–
<i>Sanitation</i>		8	8	–	8	8	–	8	8	–
<i>Refuse</i>		–	–	–	–	–	–	–	–	–
<i>Other</i>		71	65	–	74	59	–	71	71	–
Clerks (Clerical and administrative)		200	195	–	205	195	–	195	185	–
Service and sales workers		–	–	–	–	–	–	–	–	–
Skilled agricultural and fishery workers		–	–	–	–	–	–	–	–	–
Craft and related trades		–	–	–	–	–	–	–	–	–
Plant and Machine Operators		270	269	–	270	261	–	270	260	–
Elementary Occupations		281	278	–	281	270	–	281	273	–
TOTAL PERSONNEL NUMBERS	9	1,074	980	56	1,084	959	55	1,052	967	55
% increase					0.9%	(2.1%)	(1.8%)	(3.0%)	0.8%	–
Total municipal employees headcount	6, 10	938	852	–	938	852	–	996	996	–
Finance personnel headcount	8, 10	118	110	–	118	110	–	113	110	–
Human Resources personnel headcount	8, 10	18	18	–	18	18	–	19	18	–

References

1. Positions must be funded and aligned to the municipality's current organisational structure
2. Full Time Equivalent (FTE). E.g. One full time person = 1FTE. A person working half time (say 4 hours out of 8) = 0.5FTE.
3. s57 of the Systems Act
4. Include only in Consolidated Statements
5. Include municipal entity employees in Consolidated Statements
6. Include headcount (number to persons, Not FTE) of managers and staff only (exclude councillors)
7. Managers who provide the direction of a critical technical function
8. Total number of employees working on these functions
9. Correct as at 30 June
10. Must account for all budgeted positions, as per the municipal organogram

2.8.5 Monthly targets for revenue, expenditure and cash flow**Table 43 – SA25: Budgeted monthly revenue and expenditure by revenue source and expenditure type**

Description	Budget Year 2015/16												Medium Term Revenue and Expenditure		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Revenue By Source															
Property rates	23,455	21,517	22,064	25,402	22,925	23,055	21,014	23,150	(198)	290	(20)	937	183,591	194,527	206,218
Property rates - penalties & collection charges	461	126	116	(139)	2,032	170	522	529	476	598	524	(105)	5,312	5,420	5,536
Service charges - electricity revenue	44,819	40,915	46,290	45,293	46,434	43,385	38,531	45,605	38,451	45,284	42,024	49,807	526,838	557,852	590,663
Service charges - water revenue	4,713	3,863	6,274	4,801	5,233	5,298	7,927	1,431	16,160	14,244	16,037	13,563	99,543	104,735	110,156
Service charges - sanitation revenue	11,663	6,043	7,981	4,577	7,263	7,299	7,431	7,510	447	820	629	1,933	63,597	66,007	68,414
Service charges - refuse revenue	7,406	5,167	5,728	5,547	5,653	5,692	5,703	5,639	50	40	(64)	(13)	46,548	48,249	49,945
Service charges - other	44	56	54	53	52	53	53	50	1	2	–	(0)	419	444	471
Rental of facilities and equipment	103	102	119	882	263	111	106	130	222	81	113	264	2,497	2,647	2,806
Interest earned - external investments	1,615	2,085	2,054	1,112	1,806	1,638	1,379	1,824	2,121	2,934	2,598	(1,310)	19,856	21,047	22,310
Interest earned - outstanding debtors	(354)	455	1,174	(318)	346	1,082	301	322	408	395	400	349	4,560	4,833	5,123
Dividends received	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines	3,895	3,750	3,953	3,760	3,874	3,547	3,970	3,829	3,748	3,850	3,813	16,150	58,139	60,458	62,479
Licences and permits	270	263	283	252	266	(21)	368	324	216	152	201	182	2,758	2,923	3,099
Agency services	639	3	1,425	469	29	(227)	1,648	354	1,061	95	701	783	6,982	7,400	7,844
Transfers recognised - operational	86	32,453	19,490	960	31,297	51,191	39,333	86	22,671	273	583	75,761	274,184	266,411	282,533
Other revenue	817	873	1,211	1,304	1,137	2,761	6,389	3,349	1,067	735	1,014	4,780	25,438	25,453	26,544
Gains on disposal of PPE	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)	99,634	117,673	118,214	93,957	128,611	145,033	134,677	94,131	86,902	69,793	68,554	163,082	1,320,261	1,368,409	1,444,141
Expenditure By Type															
Employee related costs	25,861	28,648	27,442	30,601	29,444	27,926	29,253	29,046	27,653	27,592	28,223	30,131	341,820	368,703	405,414
Remuneration of councillors	1,557	1,555	1,555	1,555	1,554	1,557	1,497	2,189	1,555	1,556	1,556	1,542	19,227	20,381	21,604
Debt impairment	–	–	–	–	–	–	–	–	–	–	–	62,181	62,181	64,603	66,539
Depreciation & asset impairment	9,990	9,990	9,990	9,990	9,990	9,990	9,990	9,990	9,990	9,990	9,990	10,261	120,149	106,772	104,345
Finance charges	–	–	–	–	–	21,966	–	–	–	–	–	22,138	44,104	39,838	36,320
Bulk purchases	25	47,441	44,485	26,761	27,614	25,749	26,351	26,723	23,557	24,783	24,022	65,732	363,243	385,037	408,140
Other materials	12	25	21	19	20	18	23	16	10	43	12	24	242	256	272
Contracted services	5,673	14,426	14,061	19,034	14,543	23,510	11,961	19,953	10,203	10,621	12,586	46,645	203,216	190,209	195,916
Transfers and grants	150	92	331	238	21	1,429	177	381	(4)	76	–	275	3,165	3,302	3,403
Other expenditure	12,456	17,144	18,776	18,892	17,135	16,160	14,643	17,176	15,201	14,282	15,684	25,651	203,200	217,290	228,732
Loss on disposal of PPE	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Expenditure	55,723	119,320	116,661	107,089	100,322	128,303	93,896	105,474	88,165	88,943	92,072	264,579	1,360,547	1,396,391	1,470,685
Surplus/(Deficit)	43,911	(1,648)	1,553	(13,132)	28,290	16,730	40,781	(11,343)	(1,263)	(19,150)	(23,518)	(101,497)	(40,286)	(27,983)	(26,544)
Transfers recognised - capital	1,721	1,721	9,908	1,721	1,721	16,880	1,722	1,721	1,721	6,564	6,619	77,863	129,882	165,418	188,667
Contributions recognised - capital	210	72	567	244	47	184	1,668	1,490	270	1,326	1,736	400	8,215	8,708	9,230
Contributed assets	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit)	45,842	145	12,028	(11,167)	30,058	33,794	44,171	(8,132)	728	(11,260)	(15,163)	(23,233)	97,810	146,143	171,353

Table 44 – SA26: Budgeted monthly revenue and expenditure by municipal vote

Description	Budget Year 2015/16												Medium Term Revenue and Expenditure		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Revenue by Vote															
Vote 1 - Office of the Municipal Manager	2	1	19	84	20	3	78	38	5	2	2	426	680	277	293
Vote 2 - Office of the Municipal Manager	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 3 - Corporate Services	34	30	49	33	55	23	33	49	68	39	38	1,168	1,619	1,726	1,838
Vote 4 - Corporate Services	22	89	89	153	132	22	69	31	34	32	59	1,916	2,647	2,377	2,393
Vote 5 - Community Services	4,850	5,874	6,613	5,434	5,628	4,345	6,974	4,563	5,058	4,299	4,714	21,591	79,943	80,860	84,113
Vote 6 - Community Services	464	456	785	502	503	430	1,029	485	472	458	472	2,043	8,100	8,058	8,519
Vote 7 - Community Services	6,722	15,031	6,551	4,865	5,705	14,742	5,803	5,690	2,513	107	(9)	4,987	72,706	76,809	81,436
Vote 8 - Human Settlements, Land Affairs & Planning	358	284	10,756	1,315	584	291	23,104	318	451	885	2,128	13,658	54,131	73,015	95,709
Vote 9 - Civil Engineering Services	18,263	28,411	31,513	11,381	44,165	69,853	37,232	13,554	34,611	21,123	23,884	134,142	468,130	482,758	505,575
Vote 10 - Electrotechnical Services	45,079	45,120	47,162	45,521	46,519	47,258	39,557	46,882	42,948	46,656	42,149	59,685	554,538	588,229	620,209
Vote 11 - Financial Services	25,347	23,991	24,696	26,041	26,542	24,735	23,705	25,199	2,228	3,528	2,865	1,440	210,318	222,791	236,219
Vote 12 - Financial Services	423	177	457	594	526	393	482	534	506	555	608	290	5,545	5,636	5,732
Total Revenue by Vote	101,565	119,465	128,689	95,922	130,380	162,097	138,067	97,342	88,893	77,683	76,910	241,345	1,458,358	1,542,535	1,642,038
Expenditure by Vote to be appropriated															
Vote 1 - Office of the Municipal Manager	5,252	6,224	5,902	7,939	7,158	7,153	6,007	6,493	6,048	5,678	6,601	2,057	72,511	80,093	95,656
Vote 2 - Office of the Municipal Manager	54	54	54	54	54	54	54	54	54	54	54	54	652	655	871
Vote 3 - Corporate Services	1,229	1,645	1,763	1,678	1,680	3,378	1,535	1,618	1,465	1,450	1,385	3,674	22,501	23,117	24,214
Vote 4 - Corporate Services	4,007	1,610	1,881	1,567	1,588	1,597	1,572	2,141	1,764	1,491	1,279	2,161	22,656	23,929	25,432
Vote 5 - Community Services	4,135	5,089	5,417	5,383	5,110	5,926	5,283	6,199	5,755	5,303	5,254	46,823	105,678	109,427	114,391
Vote 6 - Community Services	1,755	2,587	2,359	2,378	3,070	4,742	2,269	2,979	2,070	2,487	2,674	5,849	35,218	35,263	36,907
Vote 7 - Community Services	3,288	3,575	5,170	4,843	4,413	5,891	4,369	4,772	4,473	3,344	4,291	10,460	58,889	62,303	65,482
Vote 8 - Human Settlements, Land Affairs & Planning	2,803	10,787	3,864	10,603	8,319	9,901	6,471	9,675	5,067	5,675	6,348	7,300	86,813	91,095	82,208
Vote 9 - Civil Engineering Services	22,625	28,924	29,914	31,369	29,523	43,848	27,801	29,984	24,586	25,592	24,838	84,301	403,305	387,370	409,403
Vote 10 - Electrotechnical Services	5,602	53,708	54,070	35,451	34,031	40,176	34,133	34,812	32,110	32,501	33,872	88,438	478,905	502,621	530,883
Vote 11 - Financial Services	3,520	3,469	3,289	4,349	3,937	4,668	3,179	4,967	3,437	3,760	4,193	11,825	54,593	60,849	64,556
Vote 12 - Financial Services	1,452	1,648	2,977	1,476	1,439	968	1,223	1,781	1,334	1,608	1,284	1,638	18,828	19,670	20,682
Total Expenditure by Vote	55,723	119,320	116,661	107,089	100,322	128,303	93,896	105,474	88,165	88,943	92,072	264,579	1,360,547	1,396,391	1,470,685
Surplus/(Deficit)	45,842	145	12,028	(11,167)	30,058	33,794	44,171	(8,132)	728	(11,260)	(15,163)	(23,233)	97,810	146,143	171,353

Table 45 – SA27: Budgeted monthly revenue and expenditure by standard classification

Description R thousand	Budget Year 2015/16												Medium Term Revenue and Expenditure		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Revenue - Standard															
<i>Governance and administration</i>	25,746	24,124	25,149	27,727	27,139	25,108	24,225	25,753	2,803	4,691	5,134	5,545	223,143	235,419	249,219
Executive and council	0	0	0	49	19	3	0	0	3	0	0	357	433	149	158
Budget and treasury office	25,707	24,023	25,090	26,612	26,958	24,990	24,140	25,670	2,652	4,013	3,357	1,664	214,875	227,380	240,842
Corporate services	39	101	58	1,066	162	115	85	83	148	678	1,777	3,523	7,834	7,890	8,219
<i>Community and public safety</i>	4,494	6,232	16,171	5,360	6,098	5,150	28,960	4,472	4,391	4,610	4,427	35,434	125,798	144,582	169,988
Community and social services	106	1,890	1,107	1,072	1,633	988	1,090	126	154	261	110	3,127	11,663	10,193	10,839
Sport and recreation	409	432	655	467	434	414	834	428	419	435	415	701	6,043	6,281	6,625
Public safety	3,907	3,759	3,976	3,794	3,915	3,606	4,009	3,850	3,728	3,835	3,778	17,667	59,825	61,704	63,803
Housing	67	145	10,395	22	111	138	22,912	63	86	73	119	12,698	46,829	65,284	87,523
Health	5	5	39	5	5	5	115	5	5	5	5	1,240	1,438	1,120	1,198
<i>Economic and environmental services</i>	1,226	590	12,843	1,217	30,609	32,561	18,415	3,646	1,654	3,090	6,222	97,752	209,825	220,398	227,806
Planning and development	354	283	439	346	459	237	274	314	349	252	426	872	4,604	4,737	5,012
Road transport	872	307	12,404	871	30,150	32,325	18,140	3,332	1,305	2,838	5,796	96,879	205,220	215,660	222,793
Environmental protection	0	0	0	0	0	–	0	0	0	–	0	0	1	1	1
<i>Trading services</i>	70,097	88,518	74,525	61,616	66,532	99,277	66,466	63,470	80,043	65,291	61,126	102,613	899,572	942,116	995,003
Electricity	45,079	45,120	47,162	45,521	46,519	47,258	39,557	46,882	42,948	46,656	42,149	59,685	554,538	588,229	620,209
Water	6,385	12,248	9,100	6,415	6,837	12,723	10,985	3,098	22,729	16,213	18,118	19,682	144,533	157,519	158,886
Waste water management	11,911	16,118	11,711	4,815	7,471	24,554	10,122	7,800	11,853	2,315	867	18,541	128,078	119,861	134,795
Waste management	6,722	15,031	6,551	4,865	5,705	14,742	5,803	5,690	2,513	107	(9)	4,704	72,424	76,506	81,113
<i>Other</i>	2	1	2	3	1	1	1	1	2	2	2	2	19	20	21

Table 45 – SA27: Budgeted monthly revenue and expenditure by standard classification (continue)

Description R thousand	Budget Year 2015/16												Medium Term Revenue and Expenditure		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Expenditure - Standard															
<i>Governance and administration</i>	14,669	14,084	15,395	16,345	15,433	15,424	13,119	16,918	13,393	13,771	13,632	16,845	179,026	194,996	217,557
Executive and council	4,399	4,723	3,558	5,855	4,742	5,027	4,721	5,463	4,491	4,161	3,971	(823)	50,287	57,408	72,437
Budget and treasury office	4,114	5,264	6,988	6,100	6,112	6,111	4,237	6,475	4,720	5,372	4,556	11,299	71,349	77,734	81,989
Corporate services	6,156	4,097	4,848	4,390	4,579	4,286	4,161	4,979	4,182	4,237	5,104	6,370	57,391	59,854	63,132
<i>Community and public safety</i>	7,700	17,161	10,251	17,057	14,652	20,076	12,595	17,216	11,621	11,939	12,990	60,556	213,814	220,515	216,716
Community and social services	1,330	1,678	1,777	1,697	1,589	3,317	1,539	1,712	1,467	1,556	1,433	3,778	22,873	23,147	24,389
Sport and recreation	909	1,530	1,302	1,392	1,710	2,777	1,320	1,850	1,132	1,531	1,163	3,183	19,799	19,686	20,511
Public safety	2,869	3,803	3,990	3,824	3,714	4,297	3,943	4,532	4,427	3,900	3,938	44,913	88,151	91,040	94,671
Housing	2,165	9,630	2,651	9,557	6,973	8,753	5,178	8,478	4,002	4,433	5,624	7,534	74,979	78,584	68,623
Health	427	520	531	587	666	931	614	645	593	518	833	1,148	8,012	8,057	8,522
<i>Economic and environmental services</i>	13,807	14,720	17,266	18,094	18,054	27,261	15,674	18,324	13,353	13,524	15,856	54,246	240,180	222,824	240,845
Planning and development	1,560	1,535	1,569	1,649	1,625	1,688	1,599	1,594	1,709	1,516	1,988	2,792	20,824	22,046	23,737
Road transport	11,985	12,796	15,316	16,130	15,801	24,560	13,804	16,420	11,409	11,747	13,347	50,161	213,477	194,635	210,688
Environmental protection	262	389	381	315	629	1,013	271	309	235	262	522	1,292	5,879	6,143	6,421
<i>Trading services</i>	19,302	73,113	73,458	55,251	51,904	65,255	52,138	52,784	49,456	49,404	49,259	132,537	723,862	754,399	791,704
Electricity	5,226	53,262	53,552	34,966	33,592	39,869	33,574	34,239	31,621	32,059	33,369	87,684	473,012	497,151	525,163
Water	5,074	8,984	7,979	8,435	7,613	11,689	8,044	8,198	7,236	8,023	7,193	20,897	109,364	112,061	115,262
Waste water management	6,121	7,740	7,214	7,439	6,821	8,329	6,585	5,992	6,537	6,460	4,919	14,061	88,217	88,862	92,179
Waste management	2,881	3,127	4,714	4,412	3,878	5,370	3,936	4,355	4,061	2,861	3,779	9,896	53,269	56,324	59,100
<i>Other</i>	244	242	290	341	278	287	370	233	342	306	336	394	3,665	3,658	3,862
Total Expenditure - Standard	55,723	119,320	116,661	107,089	100,322	128,303	93,896	105,474	88,165	88,943	92,072	264,579	1,360,547	1,396,391	1,470,685
Surplus/(Deficit) before assoc.	45,842	145	12,028	(11,167)	30,058	33,794	44,171	(8,132)	728	(11,260)	(15,163)	(23,233)	97,810	146,143	171,353
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit)	45,842	145	12,028	(11,167)	30,058	33,794	44,171	(8,132)	728	(11,260)	(15,163)	(23,233)	97,810	146,143	171,353

Table 46 – SA30: Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2015/16												Medium Term Revenue and Expenditure		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Cash Receipts By Source													1		
Property rates	10,948	24,454	23,629	20,378	19,296	11,348	9,431	11,204	11,339	10,156	11,284	12,780	176,247	186,746	197,970
Property rates - penalties & collection charges	67	59	73	127	76	128	109	75	364	221	364	3,437	5,099	5,204	5,314
Service charges - electricity revenue	42,287	47,941	41,821	45,263	43,826	44,090	42,246	41,631	42,885	37,840	35,317	40,619	505,764	536,867	567,036
Service charges - water revenue	7,539	8,532	7,405	8,093	7,844	8,395	7,589	9,111	9,028	7,602	7,127	7,296	95,561	100,546	105,750
Service charges - sanitation revenue	4,270	7,083	6,836	5,156	722	3,952	3,821	4,331	4,560	4,303	4,910	11,108	61,053	63,367	65,677
Service charges - refuse revenue	3,433	6,019	5,720	4,348	777	3,273	3,090	3,734	3,802	3,534	3,310	3,645	44,686	46,319	47,948
Service charges - other	20	5	41	27	140	61	63	19	1	1	1	23	402	(903)	452
Rental of facilities and equipment	68	71	63	77	117	71	76	55	229	663	398	609	2,497	2,647	1,214
Interest earned - external investments	1,264	1,533	1,574	1,539	1,617	1,768	1,801	2,051	1,645	1,616	1,742	1,706	19,856	21,047	22,310
Interest earned - outstanding debtors	307	309	305	274	296	351	388	312	462	470	464	622	4,560	4,833	5,123
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines	1,172	887	1,012	765	879	513	578	1,426	1,278	1,037	1,357	2,092	12,996	9,643	7,155
Licences and permits	262	238	201	26	365	211	394	131	221	283	238	188	2,758	2,923	3,099
Agency services	(187)	1,164	936	(99)	2,559	908	1,471	(163)	279	219	139	(246)	6,982	7,400	7,844
Transfer receipts - operational	36,152	22,775	3,170	3,725	58,739	15,121	21,728	4,777	49,495	485	48,103	9,753	274,024	267,245	282,986
Other revenue	1,609	1,440	1,352	1,864	1,694	1,704	678	1,694	1,672	1,101	1,787	346	16,941	16,506	17,078
Cash Receipts by Source	109,212	122,511	94,139	91,563	138,948	91,893	93,463	80,388	127,260	69,531	116,543	93,978	1,229,427	1,270,392	1,336,957
Other Cash Flows by Source															
Transfer receipts - capital	5,812	15,741	-	2,682	9,704	-	9,731	9,704	13,800	18,443	32,995	4,341	122,954	171,101	194,237
Contributions recognised - capital & Contributed assets	936	295	40	541	198	7	47	486	168	614	447	1,733	5,513	5,844	6,195
Proceeds on disposal of PPE	5	55	-	55	-	83	0	42	55	83	39	135	550	150	250
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	2,125	-	5,313	-	13,813	21,250	71,975	62,860
Increase (decrease) in consumer deposits	23	25	82	13	18	6	8	26	5	3	2	(7)	203	(2,500)	180
Decrease (increase) in non-current debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts by Source	115,988	138,626	94,262	94,855	148,868	91,988	103,248	92,771	141,287	93,986	150,026	113,992	1,379,898	1,516,962	1,600,679

Table 50 – SA30: Budgeted monthly cash flow (continues)

MONTHLY CASH FLOWS	Budget Year 2015/16												Medium Term Revenue and Expenditure		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand															
Cash Payments by Type															
Employee related costs	25,745	26,354	26,638	26,412	40,804	26,519	28,703	25,867	27,230	27,645	29,753	31,006	342,676	369,619	406,395
Remuneration of councillors	1,377	1,442	1,414	1,448	1,434	1,445	1,495	2,263	1,739	1,614	1,618	1,938	19,227	20,381	21,604
Finance charges	–	–	69	–	–	22,384	–	–	39	–	–	21,612	44,104	39,838	36,320
Bulk purchases - Electricity	39,861	39,905	38,455	22,901	23,901	22,794	22,576	23,325	21,939	23,080	24,844	59,662	363,243	385,037	408,140
Bulk purchases - Water & Sewer	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other materials	–	–	0	–	–	–	–	0	40	80	72	49	242	256	272
Contracted services	810	7,107	5,444	5,272	5,813	9,769	2,818	5,149	24,283	19,993	40,471	25,486	152,412	142,657	146,937
Transfers and grants - other municipalities	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers and grants - other	5	141	78	140	298	415	341	172	15	264	382	913	3,165	3,302	3,403
Other expenditure	12,662	14,637	15,607	23,499	23,476	39,075	15,719	21,761	10,864	11,708	9,219	4,972	203,200	217,290	228,732
Cash Payments by Type	80,458	89,586	87,705	79,671	95,727	122,401	71,652	78,538	86,148	84,384	106,358	145,639	1,128,269	1,178,380	1,251,802
Other Cash Flows/Payments by Type															
Capital assets	4,323	5,887	8,063	13,199	17,302	20,661	5,379	32,209	13,663	42,946	25,374	25,723	214,729	267,001	331,244
Repayment of borrowing	–	–	576	–	–	18,021	–	–	248	–	–	19,597	38,442	38,826	40,379
Other Cash Flows/Payments	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Cash Payments by Type	84,781	95,473	96,344	92,870	113,029	161,083	77,032	110,747	100,060	127,330	131,732	190,960	1,381,440	1,484,207	1,623,425
NET INCREASE/(DECREASE) IN CASH HELD	31,207	43,153	(2,083)	1,985	35,839	(69,095)	26,216	(17,976)	41,228	(33,344)	18,293	(76,967)	(1,542)	32,755	(22,745)
Cash/cash equivalents at the month/year begin:	428,803	460,010	503,163	501,080	503,065	538,904	469,810	496,026	478,051	519,278	485,934	504,228	428,803	427,260	460,016
Cash/cash equivalents at the month/year end:	460,010	503,163	501,080	503,065	538,904	469,810	496,026	478,051	519,278	485,934	504,228	427,260	427,260	460,016	437,270

References

1. Note that this section of Table SA 30 is deliberately not linked to Table A4 because timing differences between the invoicing of clients and receiving the cash means that the cashflow will differ from budgeted revenue, and similarly for budgeted expenditure. However for the MTREF it is now directly linked to A7.

2.8.6 External mechanisms

Table 47 – SA32: List of external mechanisms

External mechanism	Yrs/ Mths	Period of agreement 1.	Service provided	Expiry date of service delivery agreement or contract	Monetary value of agreement 2.
Name of organisation		Number			R thousand
Aon South Africa (Pty) Ltd	Yrs	3	Short term insurance	30 June 2016	5,597
Coastal Armature Winders & Supplies	Yrs	3	Pumpstation and Switchgear maintenance	30 June 2016	15,000
ME Smit Enterprizes	Yrs	1	Operation and maintenance of George Swimming pool	31 March 2015	213
A and R Civils	Yrs	3	Minor civil works	30 November 2016	10,500
Constructive Civil Engineering	Yrs	3	Minor civil works	30 November 2016	10,500
Lithotech Afric Mail a Division of Bidvest Paperplus (PTY) Ltd	Yrs	3	Printing of Monthly accounts	31 January 2015	750
Sebata Municipal Solutions (PTY) Ltd	Yrs	3	Reading of Water / Electricity meters	31 January 2015	1,100
Vox Orion (PTY) Ltd	Yrs	3	Cell Phone call routing	31 March 2015	450
WJVN Civils	Yrs	3	Minor civil works	30 November 2016	10,500
RK Sauer Construction South Cape	Yrs	3	Minor civil works	30 November 2016	10,500
The Blue Room Agency cc	Yrs	3	Provision of hygiene services	07 January 2017	89
Steiner Hygiene (Pty) Ltd	Yrs	3	Provision of hygiene services	07 January 2017	144
Borchards Contractors	Yrs	3	Collection of recyclable waste	30 June 2015	1,490
Du Plessis Contractors	Yrs	3	Sewer network: Minor civil works	30 June 2016	1,800
Jirah Construction	Yrs	3	Sewer network: Minor civil works	30 June 2016	3,400
Nellie and Jerome Construction cc	Yrs	3	Sewer network: Minor civil works	30 June 2016	1,800
October Sky Planthire and Supplies	Yrs	3	Sewer network: Minor civil works	30 June 2016	1,500
Itron Metering Solutions SA (Pty) Ltd	Yrs	3	Supply of prepayment electricity vending system and services	30 June 2017	48,969

2.8.7 Contracts having future budgetary implications

The municipality does not have any contracts that are beyond three years and defined in section 33 of the MFMA.

2.8.8 Capital expenditure details

The following three tables present details of the Municipality's capital expenditure programme.

Table 48 – SA34a: Capital Expenditure on new assets by asset class

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure	2 <									

Specialised vehicles		–	–	–	1,750	1,750	1,750	4,550	1,900	1,900
Refuse		–	–	–	1,750	1,750	1,750	1,750	1,900	1,900
Fire		–	–	–	–	–	–	2,800	–	–
Conservancy		–	–	–	–	–	–	–	–	–
Ambulances		–	–	–	–	–	–	–	–	–

References

1. Total Capital Expenditure on new assets (SA34a) plus Total Capital Expenditure on renewal of existing assets (SA34b) must reconcile to total capital expenditure in Budgeted Capital Expenditure
2. Airports, Car Parks, Bus Terminals and Taxi Ranks
3. For example - technology backbones (e.g. fibre optic, WIFI infrastructure) for economic development purposes
4. Work-in-progress/under construction to be budgeted under the respective item
5. Infrastructure includes 'land and buildings required' by that infrastructure and vehicles/plant & equipment used by the service generated by that infrastructure
6. Donated/contributed & leased assets to be included within the respective sub-class
7. Busses used to provide a service to the community
8. Not municipal contributions to the 'top structure' being built using the housing subsidies
9. Statues, art collections, medals etc.
10. Ambulances, fire engines, refuse vehicles - but not vehicles that would normally be classified as 'Plant and equipment'

Table 49 – SA34b: Capital Expenditure – renewal of assets by asset class

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand	1									
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		17,110	15,977	15,759	20,796	21,042	21,042	28,500	50,040	55,591
Infrastructure - Road transport		6,633	6,457	10,894	12,500	10,500	10,500	12,000	19,000	16,500
Roads, Pavements & Bridges		6,633	6,457	9,706	11,500	9,500	9,500	12,000	14,500	15,000
Storm water		–	–	1,188	1,000	1,000	1,000	–	4,500	1,500
Infrastructure - Electricity		2,119	595	1,363	300	300	300	300	1,000	1,000
Generation		–	–	–	–	–	–	–	–	–
Transmission & Reticulation		2,119	595	1,363	300	300	300	300	1,000	1,000
Street Lighting		–	–	–	–	–	–	–	–	–
Infrastructure - Water		1,265	–	–	425	2,450	2,450	1,000	–	–
Dams & Reservoirs		–	–	–	–	1,500	1,500	–	–	–
Water purification		–	–	–	–	–	–	–	–	–
Reticulation		1,265	–	–	425	950	950	1,000	–	–
Infrastructure - Sanitation		7,093	8,925	3,421	7,571	7,792	7,792	15,200	30,040	38,091
Reticulation		3,860	2,667	214	–	–	–	–	2,000	3,000
Sewerage purification		3,233	6,258	3,207	7,571	7,792	7,792	15,200	28,040	35,091
Infrastructure - Other		–	–	81	–	–	–	–	–	–
Waste Management		–	–	–	–	–	–	–	–	–
Transportation		–	–	–	–	–	–	–	–	–
Gas		–	–	–	–	–	–	–	–	–
Other		–	–	81	–	–	–	–	–	–
Community		190	2,354	1,078	520	155	155	740	30	30
Parks & gardens		–	–	–	–	–	–	–	–	–
Sportsfields & stadia		29	2,271	846	–	–	–	–	–	–
Swimming pools		147	–	–	–	–	–	–	–	–
Community halls		–	55	–	160	150	150	640	30	30
Libraries		–	–	–	–	–	–	–	–	–
Recreational facilities		–	–	149	–	–	–	100	–	–
Fire, safety & emergency		–	–	–	–	–	–	–	–	–
Security and policing		14	28	–	350	–	–	–	–	–
Buses		–	–	–	–	–	–	–	–	–
Clinics		–	–	–	–	–	–	–	–	–
Museums & Art Galleries		–	–	–	–	–	–	–	–	–
Cemeteries		–	–	–	–	–	–	–	–	–
Social rental housing		–	–	–	–	–	–	–	–	–
Other		–	(0)	82	10	5	5	–	–	–
Heritage assets		–	–	29	380	380	380	150	150	150
Buildings		–	–	29	380	380	380	150	150	150
Other		–	–	–	–	–	–	–	–	–
Other assets		107	1,403	5,451	1,660	1,343	1,343	6,355	8,020	7,110
General vehicles		–	–	–	–	–	–	–	–	–
Specialised vehicles		–	–	4,083	–	–	–	–	–	–
Plant & equipment		3	555	1,162	320	–	–	820	420	310
Computers - hardware/equipment		17	–	64	250	289	289	400	400	150
Furniture and other office equipment		86	–	–	–	–	–	–	–	–
Abattoirs		–	–	–	–	–	–	–	–	–
Markets		–	–	–	–	–	–	–	–	–
Civic Land and Buildings		–	–	–	–	–	–	–	–	–
Other Buildings		–	–	–	–	–	–	–	–	–
Other Land		–	–	–	–	–	–	–	–	–
Surplus Assets - (Investment or Inventory)		–	–	–	–	–	–	–	–	–
Other		–	848	142	1,090	1,054	1,054	5,135	7,200	6,650
Total Capital Expenditure on renewal of existing assets	1	17,406	19,734	22,317	23,356	22,920	22,920	35,745	58,240	62,881
Specialised vehicles		–	–	4,083	–	–	–	–	–	–
Refuse		–	–	2,731	–	–	–	–	–	–
Fire		–	–	1,353	–	–	–	–	–	–
Conservancy		–	–	–	–	–	–	–	–	–
Ambulances		–	–	–	–	–	–	–	–	–
Renewal of Existing Assets as % of total capex		15.9%	16.5%	6.4%	9.3%	9.7%	9.7%	15.0%	17.5%	19.0%
Renewal of Existing Assets as % of deprecn"		16.5%	18.6%	20.3%	21.0%	20.0%	20.0%	29.8%	54.5%	60.3%

References

1. Total Capital Expenditure on renewal of existing assets (SA34b) plus Total Capital Expenditure on new assets (SA34a) must reconcile to total capital expenditure in Budgeted Capital Expenditure
2. Airports, Car Parks, Bus Terminals and Taxi Ranks
3. For example - technology backbones (e.g. fibre optic, WIFI infrastructure) for economic development purposes
4. Work-in-progress/under construction to be budgeted under the respective item
5. Infrastructure includes 'land and buildings required' by that infrastructure and vehicles/plant & equipment used by the service generated by that infrastructure
6. Donated/contributed & leased assets to be included within the respective sub-class
7. Busses used to provide a service to the community
8. Not municipal contributions to the 'top structure' being built using the housing subsidies
9. Statues, art collections, medals etc.
10. Ambulances, fire engines, refuse vehicles - but not vehicles that would normally be classified as 'Plant and equipment'

Table 50 – SA34c: Repairs and maintenance expenditure by asset class

Description		Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure		
R thousand		1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Repairs and maintenance expenditure by Asset Class/Sub-class											
Infrastructure	8		37,309	46,093	46,923	54,834	52,925	52,925	58,974	63,368	67,214
Infrastructure - Road transport		17,490	19,992	18,899	21,014	19,034	19,034	20,539	22,170	23,888	
Roads, Pavements & Bridges		11,549	13,927	11,889	14,417	12,837	12,837	13,846	14,942	16,081	
Storm water		5,940	6,065	7,011	6,598	6,198	6,198	6,693	7,229	7,807	
Infrastructure - Electricity		5,029	5,604	5,816	8,918	7,867	7,867	9,602	10,303	10,923	
Generation		–	–	–	–	–	–	–	–	–	
Transmission & Reticulation		3,597	4,358	4,509	7,492	6,441	6,441	8,062	8,640	9,159	
Street Lighting		1,431	1,246	1,307	1,426	1,426	1,426	1,540	1,663	1,764	
Infrastructure - Water		3,706	6,051	5,910	6,920	6,805	6,805	7,458	8,024	8,484	
Dams & Reservoirs		–	–	–	–	–	–	–	–	–	
Water purification		243	390	584	765	760	760	805	849	879	
Reticulation		3,463	5,661	5,326	6,155	6,045	6,045	6,653	7,175	7,606	
Infrastructure - Sanitation		11,039	14,390	16,218	17,772	19,009	19,009	21,153	22,637	23,671	
Reticulation		10,424	13,602	15,383	17,040	17,877	17,877	20,380	21,822	22,833	
Sewerage purification		615	788	835	732	1,132	1,132	773	815	837	
Infrastructure - Other		45	56	80	210	210	210	221	233	247	
Waste Management		45	56	80	210	210	210	221	233	247	
Community			3,057	3,018	4,034	8,109	9,764	9,764	9,336	9,394	9,708
Parks & gardens			189	198	874	549	2,195	2,195	717	738	742
Sportsfields & stadia			621	825	812	1,217	1,086	1,086	1,289	1,366	1,448
Swimming pools		333	338	327	357	357	357	362	376	391	
Community halls		400	392	754	656	786	786	797	609	671	
Recreational facilities		122	22	42	95	105	105	100	105	109	
Fire, safety & emergency		0	1	–	1	1	1	1	1	1	
Security and policing		170	257	230	265	265	265	279	294	312	
Cemeteries		324	1	41	46	46	46	152	153	153	
Social rental housing		109	293	953	1,269	1,269	1,269	1,720	1,816	1,925	
Other		789	690	–	3,655	3,655	3,655	3,918	3,937	3,957	
Other assets		10,902	13,012	14,103	15,663	17,826	17,826	18,861	19,952	21,108	
General vehicles		3,046	3,914	3,876	4,265	4,571	4,571	4,585	4,861	5,057	
Specialised vehicles		1,834	1,811	1,821	1,769	2,269	2,269	1,865	1,966	2,083	
Plant & equipment		3,486	4,555	5,068	6,272	6,392	6,392	8,090	8,564	9,078	
Computers - hardware/equipment		67	81	61	131	111	111	138	146	155	
Furniture and other office equipment		384	483	587	442	371	371	457	484	513	
Civic Land and Buildings		1,811	1,859	2,366	2,374	3,702	3,702	3,295	3,477	3,739	
Other		275	309	323	410	410	410	432	455	482	
Intangibles		1,546	–	–	2,174	2,684	2,684	2,298	2,434	2,584	
Computers - software & programming		1,546	–	–	2,174	2,684	2,684	2,298	2,434	2,584	
Other (<i>list sub-class</i>)											
Total Repairs and Maintenance Expenditure	1	52,814	62,122	65,059	80,780	83,199	83,199	89,469	95,149	100,614	
Specialised vehicles		1,834	1,811	1,821	1,769	2,269	2,269	1,865	1,966	2,083	
Refuse		1,448	1,430	1,451	1,270	1,770	1,770	1,339	1,411	1,496	
Fire		386	380	370	499	499	499	526	555	588	
R&M as a % of PPE		2.3%	2.7%	2.7%	3.0%	3.3%	3.3%	3.4%	3.4%	3.5%	
R&M as % Operating Expenditure		5.6%	6.2%	5.2%	6.6%	6.5%	6.5%	6.6%	6.8%	6.8%	

References

- Total Repairs and Maintenance Expenditure by Asset Category must reconcile to total repairs and maintenance expenditure on Table SA1
- Airports, Car Parks, Bus Terminals and Taxi Ranks
- For example - technology backbones (e.g. fibre optic, WIFI infrastructure) for economic development purposes
- Work-in-progress/under construction to be budgeted under the respective item
- Infrastructure includes 'land and buildings required' by that infrastructure and vehicles/plant & equipment used by the service generated by that infrastructure
- Donated/contributed & leased assets to be included within the respective sub-class
- Busses used to provide a service to the community
- Not municipal contributions to the 'top structure' being built using the housing subsidies
- Statues, art collections, medals etc.
- Ambulances, fire engines, refuse vehicles - but not vehicles that would normally be classified as 'Plant and equipment'

Table 51 – SA34d: Depreciation by asset class

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand	1									
Depreciation by Asset Class/Sub-class										
Infrastructure		93,284	93,303	98,028	100,766	104,144	104,144	105,216	95,896	94,050
Infrastructure - Road transport		42,005	40,878	41,487	42,705	46,083	46,083	42,300	39,823	38,512
Roads, Pavements & Bridges		42,005	40,878	41,487	42,705	46,083	46,083	42,300	39,823	38,512
Storm water		–	–	–	–	–	–	–	–	–
Infrastructure - Electricity		13,342	13,991	14,921	17,259	17,259	17,259	17,028	14,994	14,938
Generation		–	–	–	–	–	–	–	–	–
Transmission & Reticulation		13,342	13,991	14,921	17,259	17,259	17,259	17,028	14,994	14,938
Street Lighting		–	–	–	–	–	–	–	–	–
Infrastructure - Water		22,532	23,728	24,640	24,112	24,112	24,112	24,883	23,843	23,664
Dams & Reservoirs		–	–	–	–	–	–	–	–	–
Water purification		12,566	12,652	12,406	12,178	12,178	12,178	12,196	11,778	11,711
Reticulation		9,966	11,076	12,234	11,934	11,934	11,934	12,687	12,064	11,953
Infrastructure - Sanitation		13,486	13,077	15,825	15,682	15,682	15,682	19,231	16,001	15,707
Reticulation		11,253	11,690	12,640	12,546	12,546	12,546	15,432	12,932	12,687
Sewerage purification		2,234	1,386	3,185	3,136	3,136	3,136	3,799	3,069	3,021
Infrastructure - Other		1,919	1,630	1,155	1,009	1,009	1,009	1,774	1,236	1,229
Waste Management		1,919	1,630	1,155	1,009	1,009	1,009	1,774	1,236	1,229
Transportation	2	–	–	–	–	–	–	–	–	–
Gas		–	–	–	–	–	–	–	–	–
Other	3	–	–	–	–	–	–	–	–	–
Community		7,055	6,557	7,630	6,855	6,855	6,855	9,642	7,438	7,110
Parks & gardens		246	228	194	192	192	192	466	191	190
Sportsfields & stadia		2,566	2,588	2,606	2,352	2,352	2,352	3,170	2,670	2,662
Swimming pools		–	–	–	–	–	–	–	–	–
Community halls		389	(186)	435	430	430	430	344	323	307
Libraries		226	166	236	183	183	183	435	256	234
Recreational facilities		56	56	54	54	54	54	76	54	54
Fire, safety & emergency		723	668	668	635	635	635	632	544	523
Security and policing		1,380	929	1,443	1,272	1,272	1,272	2,258	1,439	1,356
Buses	7	–	–	–	–	–	–	–	–	–
Clinics		–	–	–	–	–	–	–	–	–
Museums & Art Galleries		–	–	–	–	–	–	–	–	–
Cemeteries		117	53	48	48	48	48	29	14	14
Social rental housing	8	946	1,710	1,597	1,374	1,374	1,374	1,781	1,506	1,364
Other		405	344	350	316	316	316	451	440	405
Investment properties		2,768	4,137	2,554	2,508	2,508	2,508	2,556	2,407	2,213
Housing development		5	5	5	5	5	5	5	5	5
Other		2,763	4,132	2,549	2,503	2,503	2,503	2,551	2,402	2,208
Other assets		1,684	1,609	1,351	1,282	1,282	1,282	2,736	1,031	971
General vehicles	10	161	135	114	104	104	104	886	91	81
Specialised vehicles		–	–	–	–	–	–	–	–	–
Plant & equipment		583	474	380	383	383	383	421	367	364
Computers - hardware/equipment		176	179	173	170	170	170	147	47	42
Furniture and other office equipment		745	796	676	618	618	618	1,275	519	481
Abattoirs		–	–	–	–	–	–	–	–	–
Markets		–	–	–	–	–	–	–	–	–
Civic Land and Buildings		–	–	–	–	–	–	–	–	–
Other Buildings		–	–	–	–	–	–	–	–	–
Other Land		–	–	–	–	–	–	–	–	–
Surplus Assets - (Investment or Inventory)		–	–	–	–	–	–	–	–	–
Other		18	26	8	7	7	7	7	7	3
Intangibles		569	598	489	–	–	–	–	–	–
Computers - software & programming		569	598	489	–	–	–	–	–	–
Other (list sub-class)		–	–	–	–	–	–	–	–	–
Total Depreciation	1	105,360	106,204	110,053	111,412	114,790	114,790	120,149	106,772	104,345

References

1. Depreciation based on write down values. Not including Depreciation resulting from revaluation.
2. Airports, Car Parks, Bus Terminals and Taxi Ranks
3. For example - technology backbones (e.g. fibre optic, WIFI infrastructure) for economic development purposes
4. Work-in-progress/under construction to be budgeted under the respective item
5. Infrastructure includes 'land and buildings required' by that infrastructure and vehicles/plant & equipment used by the service generated by that infrastructure
6. Donated/contributed & leased assets to be included within the respective sub-class
7. Busses used to provide a service to the community
8. Not municipal contributions to the 'top structure' being built using the housing subsidies
9. Statues, art collections, medals etc.
10. Ambulances, fire engines, refuse vehicles - but not vehicles that would normally be classified as 'Plant and equipment'

2.8.9 Detailed capital budget per municipal vote

Table 52 – SA36: Detailed capital budget per municipal vote

Municipal Vote/Capital project	Program/Project description	IDP Goal code 2	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class		2015/16 Medium Term Revenue & Expenditure Framework		
							Current Year 2014/15 Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17
R thousand			6	3	3				
Office of the City Manager	Furniture & Fittings	V	Yes	Other Assets	Furniture and other office equipment	200	933	100	–
Office of the City Manager	Ward Projects	V	Yes	Infrastructure - Other	Other	1,750	–	–	–
Office of the City Manager	Thembaletu Tourism Office	V	Yes	Community	Civic Land and Buildings	–	–	–	–
Office of the City Manager	Pacaltsdorp Tourism Office	V	Yes	Community	Civic Land and Buildings	–	–	–	–
Legal Services	Establish Municipal Court	V	Yes	Other Assets	Furniture and other office equipment	–	1,050	–	–
Councillors	Vehicle for Speaker	V	Yes	Other Assets	General vehicles	60	–	–	–
Councillors	Tools & Trade for Councillors	V	Yes	Other Assets	Furniture and other office equipment	500	350	–	–
Local Economic Development	Computers	O	Yes	Other Assets	Office equipment	100	–	–	–
Tourism	Furniture & office equipment	P	Yes	Other Assets	Furniture and other office equipment	71	52	–	–
Local Economic Development	Computers	O	Yes	Other Assets	Office equipment	11	–	–	–
Administration	Vacuum cleaners	V	Yes	Other Assets	Plant & equipment	10	–	20	20
Administration	Furniture & Fittings	V	Yes	Other Assets	Furniture and other office equipment	171	200	615	385
Administration	Clocking System	V	Yes	Intangibles	Computers - software & programming	50	–	–	–
DMA	Uniondale Offices	V	Yes	Other Assets	Plant & equipment	–	1,149	80	80
IT Services	Computer Hardware	V	Yes	Other Assets	Furniture and other office equipment	305	1,510	980	730
IT Services	Computer Software	V	Yes	Intangibles	Computers - software & programming	45	1,150	800	800
Client Service	Furniture & Fittings	V	Yes	Other Assets	Furniture and other office equipment	–	–	–	–
Community Halls	Thembaletu Office Building	L	Yes	Community	Civic Land and Buildings	–	–	–	–
Community Halls	Conville Hall	L	Yes	Community	Community halls	–	–	–	–
Community Halls	Haarlem Hall	L	Yes	Other Assets	Plant & equipment	175	395	30	30
Community Halls	Thusong Centre	L	Yes	Other Assets	Plant & equipment	125	158	140	90
Community Halls	Parkdene Hall	L	Yes	Community	Community halls	–	–	–	–
Community Halls	Touwsrante Hall	L	Yes	Other Assets	Furniture and other office equipment	60	–	–	–
Community Halls	Lyonville Hall	L	Yes	Other Assets	Plant & equipment	175	260	–	–
Community Halls	Civic Centre - Air Conditioner	L	Yes	Other Assets	Other	64	–	–	–
Community Halls	Vehicles	L	Yes	Other Assets	General vehicles	–	300	150	150
Community Halls	Civic Centre - CCTV camera upgrade	L	Yes	Community	Security and policing	290	700	250	–
Community Halls	Civic Centre	L	Yes	Community	Civic Land and Buildings	280	470	1,275	905
Community Halls	Equipment	L	Yes	Other Assets	Plant & equipment	–	–	–	–
Community Halls	Uniondale Hall	L	Yes	Other Assets	Plant & equipment	76	830	–	–
Community Halls	Blanco Community Hall	L	Yes	Infrastructure - Road Transport	Roads, Pavements, Bridges & So	–	80	–	–
Community Halls	Thembaletu Community Hall	L	Yes	Other Assets	Plant & equipment	–	30	–	–
Community Halls	Pacaltsdorp Community Hall	L	Yes	Community	Community halls	30	–	–	–

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Municipal Vote/Capital project	Program/Project description	IDP Goal code 2	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	Current Year 2014/15 Full Year Forecast	2015/16 Medium Term Revenue & Expenditure Framework		
							Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand			6	3	3				
Fire Services	Fire Truck	I	Yes	Other Assets	Fire	–	2,800	–	–
Fire Services	Vehicles	I	Yes	Other Assets	General vehicles	–	–	–	–
Fire Services	Disaster Management Equipment	I	Yes	Other Assets	Plant & equipment	350	640	40	–
Fire Services	Life Savers Tower - Gwaing	I	Yes	Other Assets	Plant & equipment	120	–	–	–
Fire Services	Cameras - Council property	I	Yes	Other Assets	Plant & equipment	20	–	–	–
Fire Services	Garage Doors	I	Yes	Other Assets	Plant & equipment	100	–	–	–
Fire Services	Furniture & Office equipment	I	Yes	Other Assets	Furniture and other office equipment	30	–	–	–
Fire Services	Upgr Thembaletu Fire Station	I	Yes	Community	Other	–	–	–	–
Fire Services	Kleinkrantz Fire Station	I	Yes	Community	Other	–	–	–	3,000
Traffic Services	Furniture & Office equipment	I	Yes	Other Assets	Furniture and other office equipment	154	436	345	–
Traffic Services	CCTV Cameras	I	Yes	Other Assets	Plant & equipment	3,242	–	200	–
Traffic Services	Vehicles	I	Yes	Other Assets	General vehicles	550	2,500	6,965	–
Traffic Services	Traffic Office Maintenance	I	Yes	Community	Civic Land and Buildings	–	–	–	–
Traffic Services	Fire Arms	I	Yes	Other Assets	Plant & equipment	–	–	–	–
Traffic Services	Radio's & Metal Detectors	I	Yes	Other Assets	Plant & equipment	199	–	–	–
Traffic Services	Security Counter	I	Yes	Other Assets	Furniture and other office equipment	–	–	–	–
Traffic Services	Cameras - Council property	I	Yes	Other Assets	Plant & equipment	–	–	–	–
Traffic Services	Fencing	I	Yes	Community	Security and policing	–	213	227	–
Traffic Services	Paving	I	Yes	Infrastructure - Road Transport	Roads, Pavements, Bridges & So	50	100	50	–
Traffic Services	Junior Training Centre	I	Yes	Community	Civic Land and Buildings	–	150	–	–
Traffic Services	Learner & Driver Testing Station: Uniondale	I	Yes	Other Assets	Other	–	300	–	–
Vehicle Registration	Upgrade Building	I	Yes	Community	Civic Land and Buildings	–	–	–	–
Vehicle Registration	Cameras - Council property	I	Yes	Other Assets	Plant & equipment	150	70	70	–
Vehicle Registration	Vehicles	I	Yes	Other Assets	General vehicles	110	–	–	–
Vehicle Registration	Furniture & Office equipment	I	Yes	Other Assets	Furniture and other office equipment	33	100	35	–
Vehicle Registration	Generator	I	Yes	Other Assets	Plant & equipment	–	–	454	–
Drivers Licence	Equipment	I	Yes	Other Assets	Plant & equipment	17	–	18	–
Drivers Licence	Filing Facilities	I	Yes	Community	Civic Land and Buildings	–	–	–	–
Drivers Licence	Fencing	I	Yes	Community	Security and policing	–	320	–	–
Drivers Licence	Resurface Testing Centre	I	Yes	Infrastructure - Road Transport	Roads, Pavements, Bridges & So	–	350	–	–

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Municipal Vote/Capital project	Program/Project description	IDP Goal code 2	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	Current Year 2014/15 Full Year Forecast	2015/16 Medium Term Revenue & Expenditure Framework		
							Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand			6	3	3				
Sport & Recreation	Lawaikamp Sportground	N	Yes	Community	Sportfields	–	–	–	–
Sport & Recreation	Thembaletu Sporting Facilities (new)	N	Yes	Community	Sportfields	–	–	–	–
Sport & Recreation	Pacaltsdorp Sporting Facilities (new)	N	Yes	Community	Sportfields	–	–	–	–
Sport & Recreation	Pavillion Roof - Rosemore Stadium	N	Yes	Community	Sportfields	–	–	–	–
Sport & Recreation	Conville Swimming Pool	N	Yes	Other Assets	Plant & equipment	50	–	50	50
Sport & Recreation	Uniondale Swimming Pool	N	Yes	Other Assets	Plant & equipment	–	60	–	–
Sport & Recreation	Upgr Thembaletu Sport Infrastructure	N	Yes	Community	Sportsfields & stadia	128	–	–	–
Sport & Recreation	Lawaikamp Soccer Stadium	N	Yes	Community	Sportsfields & stadia	–	–	–	–
Sport & Recreation	Upgr Rosemore Sport Infrastructure	N	Yes	Community	Sportsfields & stadia	2,508	–	–	–
Sport & Recreation	Electrical Equipment	N	Yes	Other Assets	Plant & equipment	45	27	277	337
Sport & Recreation	Rosedale Sport Infrastructure	N	Yes	Community	Sportsfields & stadia	–	–	–	–
Sport & Recreation	Upgr Maraiskamp/Parkdene Sport Infrastructure	N	Yes	Community	Sportsfields & stadia	716	–	–	–
Sport & Recreation	Pacaltsdorp Sporting Facilities upgrade	N	Yes	Community	Sportsfields & stadia	1,905	–	–	–
Sport & Recreation	Uniondale Sporting Facilities	N	Yes	Community	Sportsfields & stadia	500	–	–	–
Sport & Recreation	Upgr Blanco Sporting Facilities	N	Yes	Community	Sportsfields & stadia	884	–	–	–
Sport & Recreation	MIG Sport projects	N	Yes	Community	Recreational facilities	–	4,854	5,037	5,310
Sport & Recreation	Touwsrante Sport Facilities	N	Yes	Community	Sportsfields & stadia	–	–	–	–
Sport & Recreation	Donated Assets (Outeniq Stadium)	N	Yes	Community	Sportsfields & stadia	–	–	–	–
Parks & Gardens	Equipment	L	Yes	Other Assets	Plant & equipment	279	250	180	180
Parks & Gardens	Trailer	L	Yes	Other Assets	Other	–	80	–	–
Parks & Gardens	Thembaletu Park	L	Yes	Community	Parks & gardens	100	150	–	–
Parks & Gardens	Truck	L	Yes	Other Assets	General vehicles	800	–	–	–
Parks & Gardens	Tractor	L	Yes	Other Assets	General vehicles	900	400	–	–
Parks & Gardens	Digger Loader	L	Yes	Other Assets	Plant & equipment	880	–	–	–
Cemetries	Blanco Cemetery - Fence	L	Yes	Community	Security and policing	–	–	–	–
Cemetries	Upgr York Street Cemetery	L	Yes	Infrastructure - Road Transport	Roads, Pavements, Bridges & So	–	–	–	–
Cemetries	Uniondale Cemetery	L	Yes	Community	Civic Land and Buildings	–	300	1,300	–
Social Services	New Community Facilities	AA	Yes	Community	Civic Land and Buildings	1,600	20	–	–
Social Services	Furniture & Office equipment	AA	Yes	Other Assets	Furniture and other office equipment	25	–	–	–
Main Library	Paving of Libraries	W	Yes	Infrastructure - Road Transport	Roads, Pavements, Bridges & So	–	–	–	–
Main Library	Palissade Fence	W	Yes	Community	Security and policing	–	–	–	–
Main Library	Curtains & Blinds	W	Yes	Community	Civic Land and Buildings	–	–	–	–
Main Library	Furniture & Office equipment	W	Yes	Other Assets	Furniture and other office equipment	–	17	–	–
Branch Libraries	Replace Conville's Roof	W	Yes	Community	Civic Land and Buildings	–	–	–	–
Branch Libraries	Furniture & Office equipment	W	Yes	Other Assets	Furniture and other office equipment	119	33	–	–
Branch Libraries	Book check unit	W	Yes	Community	Security and policing	300	–	–	–
Branch Libraries	Extention of Conville Library	W		Community	Libraries	3,000	2,000	–	–

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Municipal Vote/Capital project	Program/Project description	IDP Goal code 2	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	Current Year 2014/15 Full Year Forecast	2015/16 Medium Term Revenue & Expenditure Framework		
							Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand			6	3	3				
Administration	Furniture & Office equipment	V	Yes	Other Assets	Furniture and other office equipment	70	–	40	40
Administration	Radios for Vehicles	V	Yes	Other Assets	Plant & equipment	–	–	–	–
Refuse Removal	Furniture & Office equipment	M	Yes	Other Assets	Furniture and other office equipment	–	–	–	–
Refuse Removal	Radios for Vehicles	M	Yes	Other Assets	Plant & equipment	–	100	–	–
Refuse Removal	Equipment	M	Yes	Other Assets	Plant & equipment	100	230	45	40
Refuse Removal	Waste Collection - Rural areas	M	Yes	Other Assets	Plant & equipment	–	–	–	–
Refuse Removal	Bulk refuse containers	M	Yes	Other Assets	Plant & equipment	250	–	100	100
Refuse Removal	Refuse Truck	M	Yes	Other Assets	Specialised vehicles	1,750	3,500	1,900	1,900
Refuse Removal	Bakkie	M	Yes	Other Assets	General vehicles	260	–	–	–
Refuse Removal	Containers	M	Yes	Other Assets	Plant & equipment	200	–	–	–
Refuse Removal	TLB	M	Yes	Other Assets	Plant & equipment	880	–	–	–
Refuse Removal	Refuse compactor	M	Yes	Other Assets	Plant & equipment	–	–	–	–
Refuse Removal	Public toilets	M	Yes	Community	Other	–	500	350	350
Refuse Removal	Transfer Facility- Uniondale	M	Yes	Other Assets	Other	–	1,000	1,250	–
Refuse Removal	Upgrade Refuse Camp	M	Yes	Community	Civic Land and Buildings	–	100	–	–
Refuse Removal	Compost Plant	M	Yes	Other Assets	Other	–	3,000	5,000	–
Refuse Removal	Extension of transfer station	M	Yes	Other Assets	Other	–	–	1,000	1,000
Housing Administration	Metro gorunds TRA	F	Yes	Community	Housing Schemes	–	2,625	–	–
Housing Administration	Syferfontein: Provision of Services	F	Yes	Infrastructure	Other	–	–	10,000	50,000
Housing Administration	Wildernis Heights	F	Yes	Infrastructure	Other	66	–	5,850	–
Housing Administration	Lavallia: Electrification	F	Yes	Infrastructure - Electricity	Transmission & Reticulation	–	–	–	–
Housing Administration	Touwsrante: Temporary relocation	F	Yes	Community	Other Land and Buildings	–	–	–	–
Housing Administration	Uniondale: Provision of 20 serviced sites	F	Yes	Infrastructure - Road Transport	Roads, Pavements, Bridges & So	–	250	–	–
Housing Administration	Haarlem: Provision of 20 serviced sites	F	Yes	Infrastructure - Road Transport	Roads, Pavements, Bridges & So	–	250	–	–
Housing Administration	Furniture & Office equipment	F	Yes	Other Assets	Furniture and other office equipment	105	–	110	110
Housing Administration	Old Heritage Building: Pacaltsdorp	F	Yes	Heritage	Heritage Assets	380	150	150	150
Housing Administration	Temporary Creches	F	Yes	Community	Other	–	700	500	500
Housing Administration	Rosedale Creche	F	Yes	Community	Other	–	–	4,685	6,000
Housing Administration	Xamaxolo Creche	F	Yes	Community	Other	–	–	1,300	–
Housing Administration	Siembamba Creche	F	Yes	Community	Other	–	–	–	880
Housing Administration	Kleinkrantz Creche	F	Yes	Community	Other	–	–	1,000	–
Housing Administration	Illingilethu Creche	F	Yes	Community	Other	–	–	2,770	–
Housing Administration	Upgrading of Creches	F	Yes	Community	Other	344	–	–	–
Housing Administration	Back yard Dwellers - Basic Services	F	Yes	Infrastructure	Other	–	–	850	850
Housing Administration	Vehicles	F	Yes	Other Assets	General vehicles	180	400	560	560
Housing Administration	Purchase of land	F	Yes	Other Assets	Vacantland	1,500	–	–	–
Housing Administration	MZOMHLE CRECHE	F	Yes	Community	Other	–	70	–	–
Housing Administration	MASIZAKHE CRECHE	F	Yes	Community	Other	–	–	45	20
Housing Administration	Pophuis Creche	F	Yes	Community	Other	–	–	15	80
Housing Administration	Diepkloof creche	F	Yes	Community	Other	–	–	–	900
Housing Administration	Chris Nissan creche	F	Yes	Community	Other	–	–	800	630
Housing Administration	Miena Moo creche	F	Yes	Community	Other	–	–	–	970
Housing Administration	Uniondale creche (new)	F	Yes	Community	Other	–	–	–	3,300
Housing Administration	Bongulethu creche	F	Yes	Community	Other	–	–	3,000	–

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							Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand			6	3	3				
Housing Administration	NOMPHEMELELO CRECHE	F	Yes	Community	Other	–	–	250	–
Housing Administration	SANDANEZWE CRECHE	F	Yes	Community	Other	–	–	–	100
Housing Administration	Purchase of property	F	Yes	Community	Social rental housing	–	–	1,000	1,000
Housing Administration	Store Room	F	Yes	Other Assets	Civic Land and Buildings	–	–	300	330
Administration	Furniture & Office equipment	B	Yes	Other Assets	Furniture and other office equipment	79	–	70	–
Administration	Radio Mast & Base Station	B	Yes	Other Assets	Plant & equipment	–	–	–	–
Public Transport Network	GIPTN infrastructure and Busses	J	Yes	Infrastructure - Road Transport	Roads, Pavements, Bridges & So	70,308	62,014	90,974	78,880
Public Transport Network	Provincil GIPTN infrastructure	J	Yes	Infrastructure - Road Transport	Roads, Pavements, Bridges & So	716	–	–	–
Public Transport Network	Upgrading GIPTN CCTV Camera building	J	Yes	Other Assets	Civic Land and Buildings	1,080	–	–	–
Streets & Stormwater	Streetlights	C	Yes	Infrastructure	Street Lighting	2,680	1,800	–	–
Streets & Stormwater	Courtney Street Median	C	Yes	Infrastructure - Road Transport	Roads, Pavements, Bridges & So	–	150	200	–
Streets & Stormwater	Upgr of Stormwater Network: George South	C	Yes	Infrastructure - Road Transport	Storm water	–	–	3,000	–
Streets & Stormwater	Rebuilding of Streets	C	Yes	Infrastructure - Road Transport	Roads, Pavements, Bridges & So	2,500	4,000	5,000	5,000
Streets & Stormwater	Upgr of Streets: Uniondale	C	Yes	Infrastructure - Road Transport	Roads, Pavements, Bridges & So	–	1,500	–	–
Streets & Stormwater	Street Resealing	C	Yes	Infrastructure - Road Transport	Roads, Pavements, Bridges & So	4,000	4,000	5,000	5,000
Streets & Stormwater	Concrete Canals and Drains	C	Yes	Infrastructure - Road Transport	Roads, Pavements, Bridges & So	–	–	1,500	1,500
Streets & Stormwater	Thembaletu UISP - Streets & Stormwater	C	Yes	Infrastructure - Road Transport	Roads, Pavements, Bridges & So	8,449	10,128	10,634	13,148
Streets & Stormwater	Golden Valley: Provision of 165 serviced sites	C	Yes	Infrastructure - Road Transport	Roads, Pavements, Bridges & So	–	3,287	5,259	–
Streets & Stormwater	Outeniqua Slip Lane	C	Yes	Infrastructure - Road Transport	Roads, Pavements, Bridges & So	–	–	–	–
Streets & Stormwater	Upgr of Roads & Stormwater Network	C	Yes	Infrastructure - Road Transport	Roads, Pavements, Bridges & So	2,500	2,000	4,000	5,000
Streets & Stormwater	Inter-Urban Bus Terminus	C	Yes	Infrastructure - Other	Transportation	–	–	–	–
Streets & Stormwater	Flooddamage - Stormwater & Streets	C	Yes	Infrastructure - Road Transport	Roads, Pavements, Bridges & So	4,891	2,826	–	–
Streets & Stormwater	Plattner Culvert	C	Yes	Infrastructure - Road Transport	Roads, Pavements, Bridges & So	500	1,500	500	–
Streets & Stormwater	Speed Calming Methods	C	Yes	Infrastructure - Road Transport	Roads, Pavements, Bridges & So	–	–	–	–
Streets & Stormwater	Upgr of Existing Stormwater Network	C	Yes	Infrastructure - Road Transport	Storm water	1,000	1,500	4,000	4,000
Streets & Stormwater	Upgrading of Camp	C	Yes	Other Assets	Civic Land and Buildings	200	–	–	–
Streets & Stormwater	Protea Park: Stormwater	C	Yes	Infrastructure - Road Transport	Roads, Pavements, Bridges & So	309	–	–	–
Streets & Stormwater	Protea Park: Street Paving	C	Yes	Infrastructure - Road Transport	Roads, Pavements, Bridges & So	–	–	–	–
Water Networks	Flooddamage - Water network	C	Yes	Infrastructure - Water	Reticulation	950	–	–	–
Water Networks	Water Meters	B	Yes	Infrastructure - Water	Reticulation	200	200	100	–
Water Networks	Water Tenks	B	Yes	Infrastructure - Water	Dams & Reservoirs	100	100	100	100
Water Networks	Upgr Water Network	B	Yes	Infrastructure - Water	Reticulation	1,000	4,000	4,000	4,000
Water Networks	Replace Fence at Camps	B	Yes	Community	Security and policing	–	–	–	–
Water Networks	Rehabilitation of Reservoir Roof	B	Yes	Other Assets	Civic Land and Buildings	1,500	–	–	–
Water Networks	Thembaletu UISP - Water	B	Yes	Infrastructure - Water	Reticulation	1,879	1,336	1,402	1,734
Water Networks	Radio's & Testing Equipment	B	Yes	Other Assets	Plant & equipment	50	–	–	–
Water Networks	Pacaltsdorp Bulk pipeline	B	Yes	Infrastructure - Water	Reticulation	–	200	–	–
Water Networks	Golden Valley: Provision of 165 serviced sites	B	Yes	Infrastructure - Water	Reticulation	–	434	694	–

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Municipal Vote/Capital project	Program/Project description	IDP Goal code 2	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class		2015/16 Medium Term Revenue & Expenditure Framework		
						Current Year 2014/15 Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand			6	3	3				
Water Networks	Uniondale Water Meters	B	Yes	Infrastructure - Water	Reticulation	330	–	–	–
Water Networks	Thembaletu Bulk Pipeline	B	Yes	Infrastructure - Water	Reticulation	–	–	–	–
Water Networks	Water Tenker	B	Yes	Other Assets	General vehicles	–	–	–	–
Water Networks	Trucks	B	Yes	Other Assets	General vehicles	–	–	–	–
Water Networks	Water Trailers	B	Yes	Other Assets	Plant & equipment	–	–	–	–
Water Networks	Kraaibosch Water Line (Flow control vavles)	B	Yes	Infrastructure - Water	Reticulation	–	200	–	–
Water Networks	Telemetry and Loggers	B	Yes	Other Assets	Plant & equipment	–	100	200	200
Water Purification	Raising Garden Route dam	B	Yes	Infrastructure - Water	Dams & Reservoirs	500	9,492	3,500	–
Water Purification	Settling Tanks	B	Yes	Other Assets	Plant & equipment	–	200	200	–
Water Purification	Instrumentation	B	Yes	Other Assets	Plant & equipment	100	900	200	200
Water Purification	Extention of Waterworks	B	Yes	Infrastructure - Water	Reticulation	300	1,000	30,000	40,000
Water Purification	Malgas Pumpstation Rehabilitation	B	Yes	Infrastructure - Water	Reticulation	–	1,000	–	–
Water Purification	Refurbishment of Waterworks	B	Yes	Other Assets	Civic Land and Buildings	500	–	–	–
Water Purification	Generators	B	Yes	Other Assets	Plant & equipment	–	5,500	5,500	5,500
Water Purification	Bakkie	B	Yes	Other Assets	General vehicles	220	–	–	–
Water Purification	WTW - 3 Reservoirs	B	Yes	Infrastructure - Water	Dams & Reservoirs	–	7,306	14,950	–
Water Purification	Rehabilitation of Reservoir Roof	B	Yes	Other Assets	Civic Land and Buildings	–	2,500	2,500	2,000
Water Purification	Telemetry and Loggers	B	Yes	Other Assets	Plant & equipment	–	100	200	–
Sewerage Networks	Sewerage Reticulation - Pacaltsdorp	A	Yes	Infrastructure - Sanitation	Reticulation	–	–	–	–
Sewerage Networks	Vehicles	A	Yes	Other Assets	General vehicles	775	1,500	–	–
Sewerage Networks	Sewerage Network Rehabilitation	A	Yes	Infrastructure - Sanitation	Reticulation	3,000	4,000	4,000	4,000
Sewerage Networks	Telemetry and Loggers	A	Yes	Other Assets	Plant & equipment	–	–	–	–
Sewerage Networks	Fencing & Roads at Pumpstations	A	Yes	Community	Security and policing	–	–	500	600
Sewerage Networks	Upgr Pump Stations	A	Yes	Infrastructure - Water	Dams & Reservoirs	1,000	1,400	2,000	2,000
Sewerage Networks	Electrical Switchgear	A	Yes	Infrastructure - Electricity	Transmission & Reticulation	1,000	1,400	1,500	1,500
Sewerage Networks	Thembaletu UISP - Sewerage	A	Yes	Infrastructure - Sanitation	Reticulation	3,936	3,942	4,139	5,118
Sewerage Networks	Gulleys	A	Yes	Infrastructure - Sanitation	Reticulation	200	250	250	250
Sewerage Networks	Equipment	A	Yes	Other Assets	Plant & equipment	40	300	–	–
Sewerage Networks	Generators	A	Yes	Other Assets	Plant & equipment	500	–	1,000	1,500
Sewerage Networks	Golden Valley: Provision of 165 serviced sites	A	Yes	Infrastructure - Sanitation	Reticulation	–	1,280	2,047	–
Sewerage Networks	Sewerage Reticulation - Wildernis/Kleinkrantz	A	Yes	Infrastructure - Sanitation	Reticulation	–	–	2,000	3,000
Sewerage Networks	Sewerage Reticulation - Thembaletu	A	Yes	Infrastructure - Sanitation	Reticulation	28,213	6,000	–	–
Sewerage Treatment Works	Bakkie	A	Yes	Other Assets	General vehicles	550	–	–	–
Sewerage Treatment Works	TLB	A	Yes	Other Assets	Plant & equipment	880	–	–	–
Sewerage Treatment Works	Furniture & Office equipment	A	Yes	Other Assets	Furniture and other office equipment	–	–	–	–
Sewerage Treatment Works	Generators	A	Yes	Other Assets	Plant & equipment	–	–	500	500
Sewerage Treatment Works	Upgr Outeniqua WWTW	A	Yes	Infrastructure - Sanitation	Sewerage purification	7,792	15,200	28,040	35,091

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Municipal Vote/Capital project	Program/Project description	IDP Goal code 2	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	Current Year 2014/15 Full Year Forecast	2015/16 Medium Term Revenue & Expenditure Framework		
							Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand			6	3	3				
Sewerage Treatment Works	Upgr Uniondale WWTW	A	Yes	Infrastructure - Sanitation	Sewerage purification	–	–	–	–
Sewerage Treatment Works	Upgr Kleinkrantz WWTW	A	Yes	Infrastructure - Sanitation	Sewerage purification	8,281	–	–	–
Sewerage Treatment Works	Laboratory Instruments	A	Yes	Other Assets	Plant & equipment	–	200	250	250
Sewerage Treatment Works	Gwaiing WWTW Extension	A	Yes	Infrastructure - Sanitation	Sewerage purification	175	550	200	200
Sewerage Treatment Works	Telemetry and Loggers	A	Yes	Other Assets	Plant & equipment	500	150	200	200
Fleet Management	Vehicles	V	Yes	Other Assets	General vehicles	1,040	–	1,900	1,900
Fleet Management	Cherry Picker & Trailers	V	Yes	Other Assets	General vehicles	1,750	800	1,350	1,350
Fleet Management	Crane truck	V	Yes	Other Assets	General vehicles	1,400	–	–	–
Fleet Management	Trailers	V	Yes	Other Assets	Other	80	–	100	–
Fleet Management	Vehicle Tracking System	V	Yes	Other Assets	Plant & equipment	500	500	50	50
Fleet Management	Petrol Management System	V	Yes	Intangibles	Computers - software & programming	1,100	–	–	–
Fleet Management	Upgr & Extension of Buildings	V	Yes	Other Assets	Civic Land and Buildings	100	–	–	–
Fleet Management	Roof for fuel pump	V	Yes	Other Assets	Civic Land and Buildings	300	–	–	–
Fleet Management	Generator	V	Yes	Community	Security and policing	90	1,500	–	–
Electricity Distribution	Schaapkop 66kv Substation	E	Yes	Infrastructure - Electricity	Transmission & Reticulation	–	200	1,750	2,000
Electricity Distribution	Eskom Extension Cost	E	Yes	Infrastructure - Electricity	Transmission & Reticulation	–	–	–	–
Electricity Distribution	Herolds Bay 66kv Substation	E	Yes	Infrastructure - Electricity	Transmission & Reticulation	140	–	2,400	5,900
Electricity Distribution	Electrification - Erf 325	E	Yes	Infrastructure - Electricity	Transmission & Reticulation	5,000	–	–	–
Electricity Distribution	Replace Winery Sub	E	Yes	Infrastructure - Electricity	Transmission & Reticulation	–	–	–	–
Electricity Distribution	Erf 325 - Temporary Relocation	E	Yes	Infrastructure - Electricity	Transmission & Reticulation	–	2,400	–	–
Electricity Distribution	Replace Bulk meters	E	Yes	Infrastructure - Electricity	Transmission & Reticulation	–	100	100	100
Electricity Distribution	Upgr Low voltage lines	E	Yes	Infrastructure - Electricity	Transmission & Reticulation	890	1,050	2,000	1,900
Electricity Distribution	Load Control and Power factor	E	Yes	Infrastructure - Electricity	Transmission & Reticulation	1,059	–	1,000	1,000
Electricity Distribution	Replace obsolete switchgear & equipment	E	Yes	Infrastructure - Electricity	Transmission & Reticulation	1,200	1,000	2,500	2,500
Electricity Distribution	Computer Software	E	Yes	Intangibles	Computers - software & programming	–	–	100	100
Electricity Distribution	Furniture & Office equipment	E	Yes	Other Assets	Furniture and other office equipment	180	–	50	50
Electricity Distribution	Computers	E	Yes	Other Assets	Computers - hardware/equipment	40	–	100	100
Electricity Distribution	Tools & Electrical Equipment	E	Yes	Other Assets	Plant & equipment	700	300	1,200	1,000
Electricity Distribution	Upgr and Extension of 11kv network	E	Yes	Infrastructure - Electricity	Transmission & Reticulation	1,070	2,100	3,650	2,000
Electricity Distribution	Control Protection and Communication	E	Yes	Other Assets	Plant & equipment	400	700	1,850	1,850
Electricity Distribution	Expansion of master plan	E	Yes	Infrastructure - Electricity	Transmission & Reticulation	40	1,000	1,000	1,000
Electricity Distribution	New Transformers	E	Yes	Infrastructure - Electricity	Transmission & Reticulation	500	9,000	1,000	1,000
Electricity Distribution	Reticulation Scheme - Thembalethu	E	Yes	Infrastructure - Electricity	Transmission & Reticulation	10,000	6,140	7,018	4,386

Municipal Vote/Capital project	Program/Project description	IDP Goal code 2	Individually Approved (Yes/No) 6	Asset Class 3	Asset Sub-Class 3	Current Year 2014/15 Full Year Forecast	2015/16 Medium Term Revenue & Expenditure Framework		
							Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand									
Electricity Distribution	Security wall - Tamsui Substation	E	Yes	<i>Community</i>	<i>Other Land and Buildings</i>	300	600	600	600
Electricity Distribution	Reticulation Scheme Bulk services	E	Yes	<i>Infrastructure - Electricity</i>	<i>Transmission & Reticulation</i>	8,900	1,500	–	–
Electricity Distribution	Reticulation Scheme - Uniondale	E	Yes	<i>Infrastructure - Electricity</i>	<i>Transmission & Reticulation</i>	–	2,000	–	–
Electricity Distribution	Reticulation Scheme - UISP	E	Yes	<i>Infrastructure - Electricity</i>	<i>Transmission & Reticulation</i>	4,000	3,000	1,000	–
Electricity Distribution	Safety: OHSA	E	Yes	<i>Infrastructure - Electricity</i>	<i>Transmission & Reticulation</i>	110	–	60	60
Electricity Distribution	Upgr & Extention of Buildings	E	Yes	<i>Other Assets</i>	<i>Civic Land and Buildings</i>	10	–	50	50
Financial Services	Furniture and office equipment	Q	Yes	<i>Other Assets</i>	<i>Furniture and other office equipment</i>	445	218	57	–
Financial Services	Hydraulic Jacks	Q	Yes	<i>Other Assets</i>	<i>Plant & equipment</i>	25	–	–	–
Financial Services	Electrical gate at Stores	Q	Yes	<i>Community</i>	<i>Security and policing</i>	–	25	–	–
Financial Services	Vehicles	Q	Yes	<i>Other Assets</i>	<i>General vehicles</i>	–	350	–	–
Total Capital expenditure						235,547	238,588	333,752	331,244

2.8.10 Supporting detail to A4 (Budgeted Financial Performance) and A6 (Budgeted Financial Position)

Table 53 – SA1: Supporting detail to Statement of Financial Performance

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand										
REVENUE ITEMS:										
Property rates	6									
Total Property Rates		163,896	180,692	190,535	212,320	195,716	195,716	209,416	221,981	235,300
less Revenue Foregone		36,107	37,253	36,524	40,747	24,466	24,466	25,825	27,454	29,082
Net Property Rates		127,788	143,438	154,011	171,573	171,250	171,250	183,591	194,527	206,218
Service charges - electricity revenue	6									
Total Service charges - electricity revenue		373,968	422,009	454,636	487,602	483,602	483,602	539,978	572,376	606,719
less Revenue Foregone		182	()	8,704	11,885	11,685	11,685	13,140	14,525	16,056
Net Service charges - electricity revenue		373,785	422,009	445,932	475,717	471,917	471,917	526,838	557,852	590,663
Service charges - water revenue	6									
Total Service charges - water revenue		82,956	93,909	101,566	107,734	109,234	109,234	116,880	123,893	131,326
less Revenue Foregone		16,563	8,751	10,531	16,140	15,424	15,424	17,337	19,157	21,170
Net Service charges - water revenue		66,393	85,158	91,035	91,594	93,810	93,810	99,543	104,735	110,156
Service charges - sanitation revenue										
Total Service charges - sanitation revenue		66,289	74,790	88,651	87,049	88,549	88,549	94,748	100,433	106,459
less Revenue Foregone		14,113	20,165	24,840	28,998	27,711	27,711	31,151	34,425	38,045
Net Service charges - sanitation revenue		52,176	54,625	63,811	58,051	60,838	60,838	63,597	66,007	68,414
Service charges - refuse revenue	6									
Total refuse removal revenue		49,603	54,860	59,516	64,956	64,956	64,956	70,803	75,051	79,554
Total landfill revenue		–	–	–	–	–	–	–	–	–
less Revenue Foregone		14,501	17,440	19,084	22,578	21,581	21,581	24,255	26,802	29,608
Net Service charges - refuse revenue		35,101	37,420	40,432	42,379	43,376	43,376	46,548	48,249	49,945
Other Revenue by source										
Total Building Plan fees and related income		2,224	2,133	3,647	2,345	2,645	2,645	2,804	2,972	3,151
VAT Income from grants		6,920	6,177	5,585	6,457	7,749	7,749	7,141	6,082	6,024
Sundry income		7,716	7,664	9,482	6,596	14,714	14,714	15,493	16,398	17,370
Total 'Other' Revenue	1	16,859	15,974	18,714	15,398	25,108	25,108	25,438	25,453	26,544
EXPENDITURE ITEMS:										
Employee related costs										
Basic Salaries and Wages	2	138,333	154,167	178,921	192,994	201,679	201,679	224,292	243,260	271,725
Pension and UIF Contributions		23,710	25,633	30,374	34,320	34,468	34,468	33,320	35,653	38,142
Medical Aid Contributions		9,840	10,539	12,477	19,301	19,301	19,301	20,652	21,959	23,496
Overtime		16,666	18,148	24,240	15,278	18,241	18,241	15,345	16,397	17,545
Performance Bonus		587	325	–	–	–	–	–	–	–
Motor Vehicle Allowance		8,622	10,482	11,295	12,378	12,779	12,779	12,150	13,001	13,911
Cellphone Allowance		631	721	844	735	738	738	784	839	898
Housing Allowances		1,328	1,255	1,135	1,066	1,066	1,066	1,062	1,136	1,216
Other benefits and allowances		15,327	14,847	16,036	14,589	15,119	15,119	15,628	16,397	17,492
Payments in lieu of leave		14,661	15,840	15,921	16,780	16,780	16,780	17,468	18,674	19,982
Long service awards		796	1,023	1,739	1,288	1,288	1,288	1,975	2,303	1,986
Post-retirement benefit obligations	4	18,919	16,648	19,804	–	–	–	–	–	–
sub-total	5	249,418	269,629	312,786	308,730	321,460	321,460	342,676	369,619	406,395
Less: Employees costs capitalised to PPE		536	296	946	500	800	800	856	916	980
Total Employee related costs	1	248,883	269,333	311,839	308,230	320,660	320,660	341,820	368,703	405,414

Table 53 – SA1: Supporting detail to Statement of Financial Performance (continues)

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand										
<u>Contributions recognised - capital</u>										
Capital contributions		5,227	5,862	5,083	4,977	4,977	4,977	5,275	5,592	5,927
Second Dwellings		68	–	275	41	41	41	44	46	49
Contribution to Parking facilities		381	438	730	400	400	400	424	449	476
Endowment Fees		–	73	8	–	–	–	–	–	–
Sale of Erven		6,474	2,190	11,195	2,332	2,332	2,332	2,472	2,620	2,777
Total Contributions recognised - capital		12,149	8,564	17,291	7,750	7,750	7,750	8,215	8,708	9,230
<u>Depreciation & asset impairment</u>										
Depreciation of Property, Plant & Equipment		105,360	106,204	110,053	111,412	114,790	114,790	120,149	106,772	104,345
Lease amortisation		–	–	–	–	–	–	–	–	–
Capital asset impairment		–	–	–	–	–	–	–	–	–
Depreciation resulting from revaluation of PPE	10	–	–	–	–	–	–	–	–	–
Total Depreciation & asset impairment	1	105,360	106,204	110,053	111,412	114,790	114,790	120,149	106,772	104,345
<u>Bulk purchases</u>										
Electricity Bulk Purchases		244,403	276,450	287,736	324,002	317,965	317,965	363,243	385,037	408,140
Water Bulk Purchases		–	–	–	–	–	–	–	–	–
Total bulk purchases	1	244,403	276,450	287,736	324,002	317,965	317,965	363,243	385,037	408,140
<u>Transfers and grants</u>										
Cash transfers and grants		1,188	1,520	2,368	3,043	3,003	3,003	3,165	3,302	3,403
Non-cash transfers and grants		–	–	–	–	–	–	–	–	–
Total transfers and grants	1	1,188	1,520	2,368	3,043	3,003	3,003	3,165	3,302	3,403
<u>Contracted services</u>										
Housing Projects		66,516	39,683	16,735	15,824	27,816	27,816	46,164	48,685	36,726
Proclaimed Roads		218	16,610	43,246	35,952	35,952	35,952	451	–	–
Integrated Transport Services		–	920	132,467	85,449	72,844	72,844	109,541	92,313	107,901
Traffic Contractors		4,952	4,281	3,661	4,820	3,763	3,763	4,003	4,244	4,495
Electricity Contractors		11,979	14,002	14,893	16,333	16,187	16,187	17,157	18,181	19,272
Refuse Contractors		2,918	2,119	2,849	2,344	1,680	1,680	2,187	2,161	2,168
Parks and Garden Contractors		2,741	2,883	3,597	3,360	3,360	3,360	3,360	3,500	3,800
Dumping Site Contractors		4,324	4,462	4,210	4,300	5,300	5,300	7,141	8,449	8,776
Town Planning Contractors		841	322	242	850	350	350	900	950	1,007
Internal Auditors		2,673	2,830	3,570	2,822	3,002	3,002	2,824	2,226	1,778
Financial Services Contractors		66	1,537	2,069	3,780	3,863	3,863	3,475	3,786	4,104
Street Cleansing Contractors		425	666	628	670	670	670	920	930	935
Cemeteries Contractors		749	676	231	290	165	165	290	290	310
IT Networks Contractors		168	183	286	323	403	403	421	450	475
IT Mainframe Contractors		318	313	1,452	800	1,800	1,800	800	800	800
Other Contracted Services		1,360	3,701	4,435	3,755	3,434	3,434	3,582	3,243	3,369
sub-total	1	100,248	95,188	234,571	181,672	180,590	180,590	203,216	190,209	195,916
<u>Allocations to organs of state:</u>										
Electricity		–	–	–	–	–	–	–	–	–
Water		–	–	–	–	–	–	–	–	–
Sanitation		–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–
Total contracted services		100,248	95,188	234,571	181,672	180,590	180,590	203,216	190,209	195,916

Table 53 – SA1: Supporting detail to Statement of Financial Performance (continues)

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand										
Other Expenditure By Type										
Collection costs		4,728	3,156	3,644	4,325	4,325	4,325	4,050	4,090	4,125
Contributions to 'other' provisions		–	–	–	–	–	–	–	–	–
Consultant fees		1,565	1,633	1,754	2,306	2,256	2,256	2,596	2,731	2,864
Audit fees		3,907	3,520	2,926	3,100	3,100	3,100	3,100	3,200	3,200
General expenses	3									
Advertising cost		960	918	1,153	1,339	1,504	1,504	1,409	1,516	1,625
Bank charges & Easy Pay costs		2,130	2,466	2,370	2,326	2,326	2,326	2,558	2,720	2,888
Chemicals		9,335	9,597	12,998	16,580	15,810	15,810	20,495	20,917	21,332
SALGA Membership Fees		1,690	2,317	2,937	2,922	3,242	3,242	3,080	3,246	3,440
Insurance		1,939	1,693	2,013	2,700	5,728	5,728	2,922	3,085	3,255
Lease rentals on operating leases		1,406	1,271	1,414	1,902	2,118	2,118	2,108	2,232	2,363
Fleet expenses		11,424	13,347	15,441	16,079	17,064	17,064	17,066	18,061	19,050
Printing, Stationery and Postage		3,119	2,932	3,123	3,677	4,005	4,005	3,754	4,061	4,384
Telephone cost		1,499	1,230	1,252	1,587	1,745	1,745	1,736	1,821	1,922
Contribution to CRR		–	–	–	17,753	17,753	17,753	–	–	–
Maintenance - Streets and Stormwater Network		18,174	20,515	19,284	21,538	19,558	19,558	21,109	22,783	24,563
Maintenance - Electricity Network		3,578	4,296	4,278	7,111	6,140	6,140	7,661	8,217	8,710
Maintenance - Water Network		3,463	5,661	5,186	6,155	6,045	6,045	6,653	7,175	7,606
Maintenance - Sewerage Network		10,424	13,602	15,383	17,040	17,877	17,877	20,380	21,822	22,833
Maintenance of machinery		2,623	3,454	3,739	4,216	4,416	4,416	6,107	6,465	6,853
Maintenance of buildings		2,266	2,335	3,228	3,128	4,601	4,601	4,213	4,214	4,546
Software Licences		1,546	1,602	1,897	2,174	2,684	2,684	2,298	2,434	2,584
Legal Fees		1,406	3,359	2,057	2,758	3,033	3,033	3,565	3,703	3,838
Security Services		4,209	4,583	5,078	4,685	5,990	5,990	5,256	5,655	5,981
Special projects		5,076	6,491	15,794	9,546	10,972	10,972	11,108	11,645	12,433
Dumping Costs		3,192	2,886	3,256	3,000	3,600	3,600	3,816	4,045	4,288
Other Expenditure		36,187	36,664	49,660	43,300	59,504	59,504	46,161	51,452	54,049
Total Other Expenditure	1	135,848	149,530	179,865	201,247	225,397	225,397	203,200	217,290	228,732
Repairs and Maintenance by Expenditure Item	8									
Employee related costs										
Other materials										
Contracted Services										
Other Expenditure		52,814	62,122	65,059	80,780	83,199	83,199	89,469	95,149	100,614
Total Repairs and Maintenance Expenditure	9	52,814	62,122	65,059	80,780	83,199	83,199	89,469	95,149	100,614

References

1. Must reconcile with 'Budgeted Financial Performance (Revenue and Expenditure)
2. Must reconcile to supporting documentation on staff salaries
3. Insert other categories where revenue or expenditure is of a material nature (list separate items until 'General expenses' is not > 10% of Total Expenditure)
4. Expenditure to meet any 'unfunded obligations'
5. This sub-total must agree with the total on SA22, but excluding councillor and board member items
6. Include a note for each revenue item that is affected by 'revenue foregone'
7. Special consideration may have to be given to including 'goodwill arising' or 'joint venture' budgets where circumstances require this (include separately under relevant notes)
8. Repairs and Maintenance is not a GRAP item. However to facilitate transparency, municipalities must provide a breakdown of the amounts included in the relevant GRAP items that will be spent on Repairs and Maintenance.
9. Must reconcile with Repairs and Maintenance by Asset Class (Total Repairs and Maintenance) on Table SA34c.
10. Only applicable to municipalities that have adopted the 'revaluation method' in GRAP 17. The aim is to prevent overstating 'depreciation and asset impairment'

Table 54 – SA3: Supporting detail to Statement of Financial Position

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand											
ASSETS											
Call investment deposits											
Call deposits < 90 days		-	-	-	-	-	-	-	-	-	-
Other current investments > 90 days		-	-	-	-	-	-	-	-	-	-
Total Call investment deposits	2	-	-	-	-	-	-	-	-	-	-
Consumer debtors											
Consumer debtors		114,875	156,140	168,836	156,511	156,511	156,511	156,511	163,323	182,638	198,783
Less: Provision for debt impairment		(27,576)	(60,614)	(82,556)	(69,427)	(69,427)	(69,427)	(69,427)	(87,509)	(103,603)	(116,782)
Total Consumer debtors	2	87,298	95,526	86,280	87,084	87,084	87,084	87,084	75,814	79,035	82,000
Debt impairment provision											
Balance at the beginning of the year		28,884	27,576	60,614	67,232	67,232	67,232	67,232	69,427	87,509	103,603
Contributions to the provision		21,022	37,854	32,870	20,000	20,000	20,000	20,000	62,181	64,603	66,539
Bad debts written off		(22,330)	(4,816)	(10,929)	(17,805)	(17,805)	(17,805)	(17,805)	(44,099)	(48,509)	(53,359)
Balance at end of year		27,576	60,614	82,556	69,427	69,427	69,427	69,427	87,509	103,603	116,782
Property, plant and equipment (PPE)											
PPE at cost/valuation (excl. finance leases)		2,872,167	2,959,859	3,154,989	3,428,917	3,388,728	3,388,728	3,388,728	3,592,231	3,837,083	4,037,788
Leases recognised as PPE	3	-	-	10,595	-	13,525	13,525	13,525	14,250	12,825	5,860
Less: Accumulated depreciation		544,175	640,138	749,328	767,491	864,117	864,117	864,117	984,267	1,091,039	1,195,385
Total Property, plant and equipment (PPE)	2	2,327,991	2,319,721	2,416,256	2,661,427	2,538,136	2,538,136	2,538,136	2,622,214	2,758,869	2,848,263
LIABILITIES											
Current liabilities - Borrowing											
Short term loans (other than bank overdraft)		-	-	-	-	-	-	-	-	-	-
Current portion of long-term liabilities		33,843	36,963	42,276	43,812	43,812	43,812	43,812	38,442	38,826	40,379
Total Current liabilities - Borrowing		33,843	36,963	42,276	43,812	43,812	43,812	43,812	38,442	38,826	40,379
Trade and other payables											
Trade and other creditors		92,363	101,218	116,450	158,403	158,403	158,403	158,403	107,903	100,053	101,054
Unspent conditional transfers		41,994	70,412	62,924	42,613	58,432	58,432	58,432	39,698	43,835	47,722
VAT		-	-	-	-	-	-	-	-	-	-
Total Trade and other payables	2	134,358	171,630	179,374	201,017	216,835	216,835	216,835	147,601	143,888	148,776
Non current liabilities - Borrowing											
Borrowing	4	487,034	450,070	409,587	369,104	369,104	369,104	369,104	413,127	473,318	535,730
Finance leases (including PPP asset element)		-	-	8,462	31,653	31,653	31,653	31,653	14,250	12,825	5,860
Total Non current liabilities - Borrowing		487,034	450,070	418,049	400,757	400,757	400,757	400,757	427,377	486,143	541,590
Provisions - non-current											
Retirement benefits		109,146	119,192	132,444	126,381	126,381	126,381	126,381	131,436	126,436	123,936
List other major provision items											
Refuse landfill site rehabilitation		3,153	4,344	-	3,882	3,882	3,882	3,882	-	-	-
Other		10,469	7,518	31,272	3,824	3,824	3,824	3,824	4,053	4,216	1,716
Total Provisions - non-current		122,769	131,054	163,716	134,088	134,088	134,088	134,088	135,490	130,652	125,652

**Table 54 – SA3: Supporting detail to Statement of Financial Position
(continues)**

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand											
CHANGES IN NET ASSETS											
Accumulated Surplus/(Deficit)											
Accumulated Surplus/(Deficit) - opening balance		1,650,898	2,117,225	2,170,221	2,427,405	2,428,493	2,428,493	2,428,493	2,496,651	2,632,961	2,762,052
GRAP adjustments		375,463	-	-	-	-	-	-	-	-	-
Restated balance		2,026,361	2,117,225	2,170,221	2,427,405	2,428,493	2,428,493	2,428,493	2,496,651	2,632,961	2,762,052
Surplus/(Deficit)		(5,019)	54,384	251,466	59,339	90,793	90,793	90,793	97,810	146,143	171,353
Appropriations to Reserves		-	-	6,806	-	-	-	-	-	-	-
Transfers from Reserves		(3,301)	(3,319)	-	(8,866)	(9,051)	(9,051)	(9,051)	(9,026)	(9,291)	(9,569)
Depreciation offsets		-	-	-	-	-	-	-	-	-	-
Other adjustments		99,183	1,932	-	161,793	(13,584)	(13,584)	(13,584)	47,526	(7,761)	(148,831)
Accumulated Surplus/(Deficit)	1	2,117,225	2,170,221	2,428,493	2,639,671	2,496,651	2,496,651	2,496,651	2,632,961	2,762,052	2,775,005
Reserves											
Housing Development Fund		74,011	77,330	69,484	71,842	86,842	86,842	86,842	73,396	74,130	71,630
Total Reserves	2	74,011	77,330	69,484	71,842	86,842	86,842	86,842	73,396	74,130	71,630
TOTAL COMMUNITY WEALTH/EQUITY	2	2,191,236	2,247,551	2,497,977	2,711,512	2,583,493	2,583,493	2,583,493	2,706,357	2,836,183	2,846,635

References

1. Must reconcile with Table A4 Budgeted Financial Performance (revenue and expenditure)
2. Must reconcile with Table A6 Budgeted Financial Position
3. Leases treated as assets to be depreciated as the same as purchased/constructed assets. Includes PPP asset element accounted for as finance leases
4. Borrowing must reconcile to Table A17

2.9 Municipal Manager's Quality Certificate

I, Trevor Botha, The Municipal Manager of George Municipality hereby certify that the annual budget and supporting documentation for the 2015/2016 Financial Year, have been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act, and that the budget and supporting documentation are consistent with the Integrated Development Plan.

Print Name Trevor Botha

Municipal Manager of George municipality

Signature 

Date 25 March 2015